

PAPER MONEY

Official Journal of the
Society of Paper Money Collectors

VOL. XLI, No. 4

WHOLE No. 220

JULY/AUGUST 2002

WWW.SPMC.ORG

GEORGE WAIT MEMORIAL AWARD WINNER ROBERT S. NEALE
SHARES HIS INSIGHTS INTO ANTEBELLUM BANK OF CAPE FEAR



JOIN US FOR THESE "MUST ATTEND EVENTS"

The Strasburg Currency and Stock and Bond Show September 12-15, 2002

Lancaster Host Hotel, 2300 Lincoln Highway East (Route 30), Lancaster, PA 17602

Featuring:

- A World Class Currency and Stock & Bond Auction by R.M. Smythe & Co.
- Free Parking
- 100 Booth Bourse Area
- Pennsylvania Dutch Tourist Attractions
- Factory Outlet Malls Nearby
- Live Spider Press Demonstrations
- Special Intaglio Souvenir card available only at the show



Make Your Plans Now to be Part of this Exciting Collecting Tradition

Show Hours:

Thursday, September 12, 2-6 pm
(Professional Preview, \$25)

Saturday, September 14, 10 am-6 pm

Friday, September 13, 10 am-6 pm

Sunday, September 15, 10 am-2 pm

A three-day pass valid Friday-Sunday is \$5 - Children 16 and under are FREE

Show Information:

Kevin Foley - R.M. Smythe
P.O. Box 370650, Milwaukee, WI 53237
(414) 421-3498 Fax (414) 423-0343
e-mail: kfoley2@wi.rr.com

Hotel Reservations:

To reserve a room at the Lancaster Host Hotel,
call 800-233-0121 and ask for the
special \$82 Strasburg Currency and
Stock & Bond Show rate.

The Strasburg Stock, Bond and Currency Show February 7-9, 2003

The Historic Strasburg Inn, One Historic Drive, Strasburg, PA 17579

Thursday, February 6, 2-6 pm
(Professional Preview, \$25)

Saturday, February 8, 10 am-6 pm

Friday, February 7, 10 am-6 pm

Sunday, February 9, 10 am-1 pm

A three-day pass valid Friday-Sunday is \$5 - Children 16 and under are FREE

Featuring

- A World Class Stock & Bond Auction by R.M. Smythe & Co.
- North America's Most Important Stock and Bond Show
- Pennsylvania Dutch Tourist Attractions
- Free Parking • Factory Outlet Malls Nearby



Show Information:

Kevin Foley - R.M. Smythe
P.O. Box 370650, Milwaukee, WI 53237
(414) 421-3498 Fax (414) 423-0343
e-mail: kfoley2@wi.rr.com

Hotel Reservations:

To reserve a room at the Historic Strasburg Inn,
at our special rate of \$94 call 800-872-0201
and advise the agent that you are
attending the Stock & Bond Show.

Visit the R.M. Smythe & Co. website: www.smytheononline.com

TERMS AND CONDITIONS

PAPER MONEY is published every other month beginning in January by the Society of Paper Money Collectors (SPMC). Second-class postage is paid at Dover, DE 19901. Postmaster send address changes to Secretary Tom Minerley, P.O. Box 7155, Albany, NY 12224-0155

© Society of Paper Money Collectors, Inc., 2002. All rights reserved. Reproduction of any article, in whole or in part, without express written permission, is prohibited.

Individual copies of this issue of *PAPER MONEY* are available from the Secretary for \$4 postpaid. Send changes of address, inquiries concerning non-delivery, and requests for additional copies of this issue to the Secretary.

MANUSCRIPTS

Manuscripts not under consideration elsewhere and publications for review should be sent to the Editor. Accepted manuscripts will be published as soon as possible; however, publication in a specific issue cannot be guaranteed. Include an SASE for acknowledgment, if desired. Opinions expressed by authors do not necessarily reflect those of the SPMC.

Manuscripts should be typed (one side of paper only), double-spaced with at least 1-inch margins. The author's name, address and telephone number should appear on the first page. Authors should retain a copy for their records. Authors are encouraged to submit a copy on a 3 1/2-inch MAC disk, identified with the name and version of software used. A double-spaced printout must accompany the disk. Authors may also transmit articles via e-mail to the Editor at the SPMC web site (fred@spmc.org). Original illustrations are preferred. Scans should be grayscale at 300 dpi. Jpegs are preferred. Inquire about other formats.

ADVERTISING

- All advertising copy and correspondence should be sent to the Editor
- All advertising is payable in advance

To keep rates at a minimum, all advertising must be prepaid according to the schedule below. In exceptional cases where special artwork or additional production is required, the advertiser will be notified and billed accordingly. Rates are not commissionable; proofs are not supplied.

Advertising Deadline: Copy must be received by the Editor no later than the first day of the month preceding the cover date of the issue (for example, Feb. 1 for the March/April issue). With advance approval, camera-ready copy, or electronic ads in Quark Express on a MAC zip disk with fonts supplied, may be accepted up to 10 days later.

ADVERTISING RATES

Space	1 time	3 times	6 times
Outside back cover	\$500	\$1350	\$2500
Inside cover	400	1100	2000
Full page	360	1000	1800
Half page	180	500	900
Quarter page	90	250	450
Eighth page	45	125	225

Requirements: Full page, 42 x 57 picas; half-page may be either vertical or horizontal in format. Single-column width, 20 picas. Except covers, page position may be requested, but not guaranteed. All screens should be 150 line or 300 dpi.

Advertising copy shall be restricted to paper currency, allied numismatic material, publications, and related accessories. The SPMC does not guarantee advertisements, but accepts copy in good faith, reserving the right to reject objectionable material or edit copy.

SPMC assumes no financial responsibility for typographical errors in ads, but agrees to reprint that portion of an ad in which a typographical error occurs upon prompt notification. ♦

Paper Money

Official Bimonthly Publication of
The Society of Paper Money Collectors, Inc.

Vol. XLI, No. 4

Whole No. 220

JULY/AUGUST 2002

ISSN 0031-1162

FRED L. REED III, Editor, P.O. Box 793941, Dallas, TX 75379

Visit the SPMC web site: www.spmc.org

IN THIS ISSUE

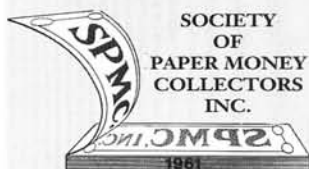
FEATURES

Wilmington's Bank of Cape Fear	211
By Robert S. Neale	
Once There Were Two, But Then There Were None	220
By Tom Minerley	
Bank Note Artists Depict Master Engraver Dürer	228
By Gene Hessler	
FNB of Lewisville Texas Bank Robbery	230
By Frank Clark	
The Last Shipment of National Bank Notes	230
By Frank Clark	
Bank of Panama: A Review of Panama's Third Bank	232
By Joaquin Gil del Real	
The Bank of Whitfield, Dalton, Georgia	236
By Steve Whitfield	
Misplaced Bank Plate Numbers	240
By Michael V. Stratton	
Spelling Isn't My Long Suit Either	241
By Peter Huntoon	
Your Eyes Aren't Deceiving You	242
By Peter Huntoon	
A \$10 Blue Seal North Africa SC	248
By Dave Schlingman	
Reflections on Reading <i>Paper Money</i>	249
By John Gavel	
An Ag Department Ad Note	250
By Forrest W. Daniel	
Two Varieties of Strawberry Grounds Scrip	252
By Bob Schreiner	

SOCIETY NEWS

Information & Officers	210
President's Column	244
By Frank Clark	
Money Mart	244
New Members	246
New Gordon Harris Work Details New York State Scrip	248
Research Exchange	254
Editor's Notebook	254

Society of Paper Money Collectors



The Society of Paper Money Collectors (SPMC) was organized in 1961 and incorporated in 1964 as a non-profit organization under the laws of the District of Columbia. It is affiliated with the American Numismatic Association. The annual SPMC meeting is held in June at the Memphis IPMS (International Paper Money Show). Up-to-date information about the SPMC and its activities can be found on its Internet web site www.spmc.org.

MEMBERSHIP—REGULAR and LIFE. Applicants must be at least 18 years of age and of good moral character. Members of the ANA or other recognized numismatic societies are eligible for membership; other applicants should be sponsored by an SPMC member or provide suitable references.

MEMBERSHIP—JUNIOR. Applicants for Junior membership must be from 12 to 18 years of age and of good moral character. Their application must be signed by a parent or guardian. Junior mem-

bership numbers will be preceded by the letter "j," which will be removed upon notification to the Secretary that the member has reached 18 years of age. Junior members are not eligible to hold office or vote.

DUES—Annual dues are \$24. Members in Canada and Mexico should add \$5 to cover postage; members throughout the rest of the world add \$10. Life membership — payable in installments within one year is \$500, \$600 for Canada and Mexico, and \$700 elsewhere. The Society has dispensed with issuing annual membership cards, but paid up members may obtain one from the Secretary for an SASE (self-addressed, stamped envelope).

Members who join the Society prior to October 1 receive the magazines already issued in the year in which they join. Members who join after October 1 will have their dues paid through December of the following year; they also receive, as a bonus, a copy of the magazine issued in November of the year in which they joined. Dues renewals appear in the Sept/Oct *Paper Money*. Checks should be sent to the Society Secretary. ♦

OFFICERS

ELECTED OFFICERS:

PRESIDENT Frank Clark, P.O. Box 117060, Carrollton, TX 75011-7060

VICE-PRESIDENT Wendell A. Wolka, P.O. Box 569, Dublin, OH 43017

SECRETARY Tom Minerley, P.O. Box 7155, Albany, NY 12224-0155

TREASURER Mark Anderson, 335 Court St., Suite 149, Brooklyn, NY 11231

BOARD OF GOVERNORS:

Benny J. Bolin, 5510 Bolin Rd., Allen, TX 75002

C. John Ferreri, P.O. Box 33, Storrs, CT 06268

Gene Hessler, P.O. Box 31144, Cincinnati, OH 45231

Ronald L. Horstman, 5010 Timber Ln., Gerald, MO 63037

Arri "AJ" Jacob, P.O. Box 1649, Minden, NV 89423-1649

Judith Murphy, P.O. Box 24056, Winston-Salem, NC 27114

Fred L. Reed III, P.O. Box 793941, Dallas, TX 75379-3941

Robert Schreiner, P.O. Box 2331, Chapel Hill, NC 27515-2331

Steven K. Whitfield, P.O. Box 268231, Weston, FL 33326

APPOINTEES:

EDITOR Fred L. Reed III, P.O. Box 793941, Dallas, TX 75379-3941

CONTRIBUTING EDITOR Gene Hessler, P.O. Box 31144, Cincinnati, OH 45231

ADVERTISING MANAGER Vacant

LEGAL COUNSEL Robert J. Galiette, 3 Teal Ln., Essex, CT 06426

LIBRARIAN Robert Schreiner, P.O. Box 2331, Chapel Hill, NC 27515-2331

MEMBERSHIP DIRECTOR Frank Clark, P.O. Box 117060, Carrollton, TX 75011-7060

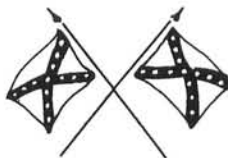
PAST PRESIDENT Bob Cochran, P.O. Box 1085, Florissant, MO 63031

1929 NATIONALS PROJECT COORDINATOR David B. Hollander, 406 Viduta Pl, Huntsville, AL 35801-1059

WISMER BOOK PROJECT COORDINATOR Steven K. Whitfield, P.O. Box 268231, Weston, FL 33326

BUYING AND SELLING

**CSA and Obsolete Notes
CSA Bonds, Stocks &
Financial Items**



**60-Page Catalog for \$5.00
Refundable with Order**

HUGH SHULL

P.O. Box 761, Camden, SC 29020 (803) 432-8500
FAX (803) 432-9958

ANA-LM
SCNA
PCDA CHARTER MBR

SPMC LM 6
BRNA
FUN



A Sturdy Tree with Seven Branches

Wilmington's Bank of Cape Fear

BY ROBERT S. NEALE

THE ANTEBELLUM BANK OF CAPE FEAR WAS NORTH Carolina's first private bank. The Wilmington-based enterprise received its charter from the State Legislature on December 17, 1804, followed very shortly by the Bank of Newbern. In 1811, the first of three incarnations of a privately held State Bank also opened, with headquarters in Raleigh. All three banks raised their initial working capital from the sale of their stock at \$100 a share, payable in the good hard cash of gold and silver coin. Subsequent recapitalizations, however, were not as demanding that payment be made exclusively in specie.

Together, the three privately held banks provided all of North Carolina's banking services until the era of the 1840-50s, when numerous other stockholder institutions applied for charters, opened for business, and issued currency. Along with individuals, the State of North Carolina was a significant stockholder in the early banks, including the Bank of Cape Fear, and therefore had a vested interest in their success.

Of the three banks, however, only the Bank of Cape Fear operated continuously and reliably from its opening on November 18, 1805, until financial consequences of the Civil War forced the bank to close in early 1866. In fact, no bank in North Carolina (and few elsewhere in the South) proved capable of surviving the substantial and not completely voluntary investments they had made in the failed Confederacy. During its life, the Bank of Cape Fear was a

Eleven collectable denominations of bank notes were issued by the Bank of Cape Fear. During its earliest decade, the bank also issued an abundance of \$1 and \$2 notes, but the very few surviving examples are now excessively rare.



Coming Next Issue 2nd Annual



International Special Issue

Advertise Your Worldwide Notes
in *Paper Money*

Spread the Wealth Around

Advertising YOUR
notes for sale in
Paper Money makes
economic sense



Our 1st
Annual
International
Issue
was a great
success

Our readers are the knowledgeable collectors WITH MONEY that you want to reach. One recent advertiser sold more than \$34,000 worth of material from his *Paper Money* ads!!!!

Full Pages Only \$300 (20% discount!)

Half Pages \$175 Quarter Pages \$100

Deadline July 15th

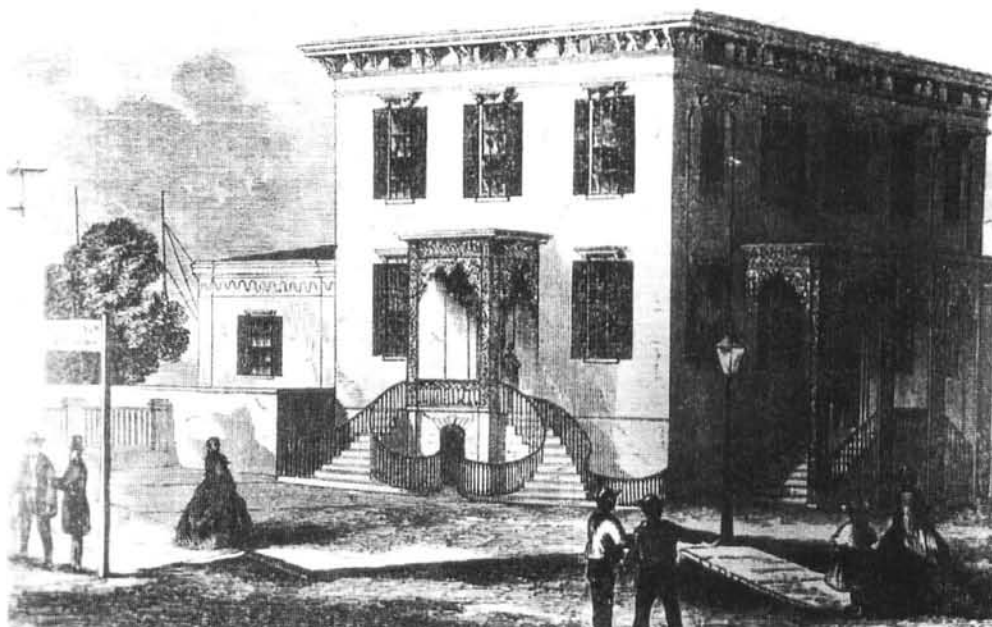
Send Ad Materials and Payment to the
Editor Now!!!!



special pillar of strength in a state whose financial fortunes depended significantly on the bank's success.

In the end, despite a long record of honorable and reliable service to individuals, businesses, and the state itself, the Bank of Cape Fear could survive neither its total losses in Confederate bonds nor the action of the United States Congress, which in July 1865 imposed a 10% tax on any state bank notes issued thereafter. This tax wiped out any profit to be made in the banks' usual short term loans, which were awarded as cash, rather than credit, and ensured that the new system of National Banks created in 1863 to fund the northern war effort would suffer no difficult competition.

During its 62-year history, the Bank of Cape Fear established agencies ("offices of discount and deposit") wherever the need arose and opportunity knocked. Some of these ventures were not very long-lived, but others thrived. In later years, the bank created currency-issuing branches in Asheville, Fayetteville, Greensboro, Raleigh, Salem, Salisbury and Washington.



The bank notes put into circulation by North Carolina's antebellum banks make an alluring target for collectors of obsolete currency. The notes of the Bank of Cape Fear are especially extensive, varied, attractive, and desirable. Acquiring even a complete type set, much less a comprehensive representation of all the varieties and points of issue, presents a tough challenge. Only the bank's notes dating from the 1840s are normally offered for sale. The odd denominations of \$6 through \$9 are particularly hard to find, along with any denomination in high grade.

In a recently completed narrative history, *The Bank of Cape Fear of Wilmington, North Carolina*, I have included many facts and anecdotes that came to light from my research into this important antebellum bank and its operations, the currency it issued, and its key personnel. The book also details the fascinating ways that people associated with the bank added texture to the history of Wilmington and the bank's branch towns.

New information will come to light from time to time, of course, and I welcome readers who may wish to suggest additions to the book to contact me with their data.

My research focused on the bank's main office in Wilmington, where I

The exterior of the Bank of Cape Fear's home office in Wilmington underwent major renovation in the 1840s under architect John Norris. The facelift repaired damage from a disastrous fire that raced through town just across the street from the bank and destroyed several blocks of the town's center. [Courtesy of the New Hanover County Public Library.]

live, but I also discovered bits of useful information about the bank's seven branches. The balance of this article offers selected highlights about four of these branches. The reader should consult the book itself for a more comprehensive view of how the Bank of Cape Fear played its very influential role in North Carolina's economic and social life.

The Branch at Washington

In the process of following up other leads, I learned of several original record books that had belonged to the Bank of Cape Fear's branch in Washington, NC, a town located on the Pamlico River in the northeastern part of the state. These volumes now reside in the Rare Book, Special Collections, and Manuscripts Library at Duke University in Durham. In brief, what follows is the essential story of the bank's Washington outpost.

The Washington branch of the Bank of Cape Fear opened on February 4, 1836. An establishing letter (clerk's copy), dated December 7, 1835, appears in the Washington Directors' Minutes over the signature of President James Owen of the bank's home office in Wilmington. The signer came as a complete surprise, because no record has yet turned up in Wilmington of Owen's association with the bank, which he served as its sixth president from January, 1833, until March, 1837.



A \$4 note from the Washington branch with counters and "FOUR" in red, 1859.

Owen addressed his letter to Cashier-to-be Benjamin Runyon, who served until at least 1850. In a tragic story only hinted at in Wilmington sources, a successor in the cashier's chair, Th. H. Hardenbergh, suddenly committed suicide on October 10, 1857, apparently over an "affair of the heart." There was no sign of any wrong doing at the bank. Hardenbergh was succeeded by W.R.S. Burbank, who then served as cashier until and beyond the bank's demise after the war, when it tried to settle its accounts.

The president of the Washington branch throughout its entire 30-year existence was John Myers. His first job was to find space in which to do business until the new bank could build its own office during the 1840s. In fact, the bank operated initially out of a private home! There seems to have been little concern over security, and simply the continuous presence of the home's owner was judged sufficient protection for the assets.

By March, 1862, the bank perceived a serious threat from "the invaders" of the Union forces, and the Washington office fled practically overnight to the Bank of Cape Fear's branch at Salisbury, a town tucked safely into the central part of the state. Several fascinating letters by Cashier Burbank described his problems in making the sudden move, which he carried out with great loyalty,

WANTED MACERATED MONEY

Also any info on this
subject in order to
write a book

(CHOPPED UP MONEY)

**I also buy items made out of
Macerated Money.**

Top Prices Paid!

Bertram Cohen

**169 Marlborough St.
Boston, MA 02116-1830**

617-247-4754

e-mail: marblebert@aol.com



Announcing

A New Standard Catalog

from the author of Civil War Encased Stamps

So you're not Friedberg, nor Hessler, nor Kelly, nor
Newman, nor Pick, nor Krause, nor Criswell

Fred L. Reed III doesn't claim he is either

But Fred has penned numismatic classics in the past and Show Me the Money: The Standard Catalog of Motion Picture, TV, Stage & Advertising Prop Money is destined to be another one. This 600-page, ground-breaking catalog of 1,400 never-before-listed notes will to appeal to movie fans, libraries, and paper money collectors alike for years to come. It may not win 7 national/international awards like CWES but you can bet it will be good! Now YOU, too, can leave YOUR mark on paper money collecting. How? Add YOUR name to this standard catalog! YOU can have YOUR name on this reference work as Co-author! This is a limited-time patronage opportunity, so you must act now. For a fee of only \$ X5,000, you can secure YOUR numismatic legacy. Write Robert B. Welch, Agent, 2433 NW 48th St., Oklahoma City, OK 73112

MYLAR D® CURRENCY HOLDERS

PRICED AS FOLLOWS

BANK NOTE AND CHECK HOLDERS

SIZE	INCHES	50	100	500	1000
Fractional	4 3/4 x 3 3/4	\$18.50	\$33.50	\$150.00	\$260.00
Colonial	5 1/2 x 3 1/16	19.00	35.00	160.00	290.00
Small Currency	6 3/8 x 2 7/8	19.50	37.50	165.00	310.00
Large Currency	7 7/8 x 3 1/2	22.00	41.00	184.00	340.00
Auction	9 x 3 3/4	24.00	44.00	213.00	375.00
Foreign Currency	8 x 5	27.50	50.00	226.00	400.00
Checks	9 5/8 x 4 1/4	27.50	50.00	226.00	400.00

SHEET HOLDERS

SIZE	INCHES	10	50	100	250
Obsolete Sheet					
End Open	8 3/4 x 14 1/2	\$14.00	\$61.00	\$100.00	\$226.00
National Sheet					
Side Open	8 1/2 x 17 1/2	15.00	66.00	110.00	248.00
Stock Certificate					
End Open	9 1/2 x 12 1/2	13.50	59.00	94.00	212.00
Map & Bond Size					
End Open	18 x 24	54.00	235.00	385.00	870.00

You may assort note holders for best price (min. 50 pcs. one size). You may assort sheet holders for best price (min. 5 pcs. one size) (min. 10 pcs. total).

SHIPPING IN THE U.S. (PARCEL POST) FREE OF CHARGE

Mylar D® is a Registered Trademark of the Dupont Corporation. This also applies to uncoated archival quality Mylar® Type D by the Dupont Corp. or the equivalent material by ICI Industries Corp. Melinex Type 516.

DENLY'S OF BOSTON

P.O. Box 51010, Boston, MA 02205 • 617-482-8477
ORDERS ONLY: 800-HI-DENLY • FAX 617-357-8163

I COLLECT

FLORIDA

Obsolete Currency

National Currency

State & Territorial Issues

Scrip

Bonds

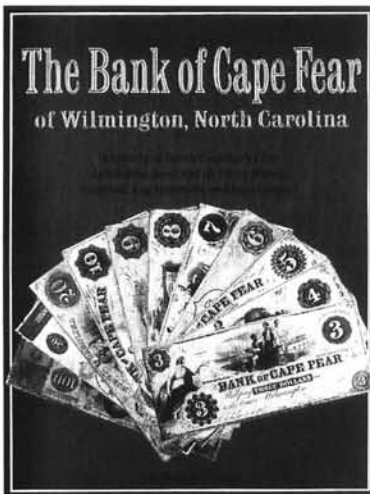
Ron Benice

4452 Deer Trail Blvd.

Sarasota, FL 34238

941 927 8765

Benice@Prodigy.net



ABOUT THE AUTHOR

A retired research chemist and college teacher, Robert S. Neale is Past President of the Lower Cape Fear Coin Club of Wilmington, NC. During the past several years, he developed an interest in the obsolete currency of North Carolina, and his book on the Bank of Cape Fear is a direct consequence of that interest. SPMC awarded Mr. Neale its 1st George Wait Memorial Award. Copies of Neale's book are still available, priced at \$15 plus \$4 shipping and handling (NC residents add 90 cents for taxes) from The Lower Cape Fear Historical Society, 126 South Third Street, Wilmington, NC 28401. The author may be contacted at: robtneale@aol.com

according to his letters, to the detriment of his own comfort and possessions. Only this most easterly branch of the Bank of Cape Fear was actually threatened by physical destruction and a total loss of its assets by the operations of the northern forces, although the Greensboro branch may have come close.

Whether or not the Washington and Salisbury branches combined their business for the duration of the war is not clear. At war's end, the Bank of Cape Fear had definitely returned to its office to Washington and, in March 1866, Cashier Burbank began acting as agent for a receiver appointed by the state. Washington continued to settle its accounts until 1870, often bargaining with its out-of-luck depositors for both the amount of settlement and the currency in which it would be made. The bank actually tried to make good "in Confederate," but the claimants naturally demanded payment in funds of the victorious United States. The Washington branch presumably ended its own currency emissions with its move to Salisbury.

Each branch of the Bank of Cape Fear, but not a lower level agency, could issue currency payable at its own location (or at the home office). A branch's currency needs were based primarily on the success of its discounted loan business, which paid funds to successful borrowers in cash, after retaining the interest up front. However, each bank note was signed by the president and cashier of the home office, rather than by the corresponding branch officers. Starting with 1847, one will find on all Bank of Cape Fear currency the signatures of President Tho(mas) H. Wright and Cashier H(enry) R(ussell) Savage, regardless of the branch of issue.

The Branch at Greensboro

This office, in the north central part of the state, joined the Bank of Cape Fear's expanding sphere of influence in 1851 without prior existence as an agency, as had Washington some fifteen years earlier. Probably around the same time as Washington faced its threat of overrun by northern troops in 1862, Greensboro took a sudden action to counter an impending federal raiding of its assets.

Cashier Jesse H. Lindsay is said to have given \$15,000 of the bank's specie to a trusted local farmer who, that same evening, buried the cash on his property and immediately built a pig pen directly over the spot. Once the threat receded, the money was returned to the bank where it remained safe until the Bank of Cape Fear closed in 1866. The Greensboro bank building was subsequently bought in 1869 to establish the new Bank of Greensboro, which became the National Bank of Greensboro in 1876.

It had been the custom until the late 1840s for banks to open at sites well

A \$3 note payable at the bank's Greensboro branch, 1854.



removed from the center of business where, “wrapped in the solitude of their own originality,” they waited for business to come to them. In Greensboro, however, the Bank of Cape Fear, along with two others, saw the light of competition and built their offices in the commercial center of town, where customers had little trouble finding them.

The Branch at Salem

Banking first came to Salem in 1815, when the Bank of Cape Fear opened an Agency Office of Discount and Deposit to serve the reliable and thrifty Moravian people of the area. All went smoothly until a memorable incident in 1827, when religion clashed with business, with dramatic result.

The agency’s cashier at the time also ran a printing business that published both *Blum’s Almanac* for farm and garden and the *Salem Press*. Cashier Blum lived in a building that was at once bank, publishing house, and personal residence. Blum was also very active in his church. One day in December found him at home counting the bank’s currency by candlelight when the time arrived to light the candles for the evening church service.

Upon arriving at the service, Blum discovered his house erupting in a mass of flames, apparently from a spark that had fallen among the currency still laid out in mid-count. The house was saved, but some \$10,000 in bank notes



(worth many times that amount in today’s money) had been destroyed. Or so Blum steadfastly maintained. It was only after several months that the home office in Wilmington accepted Blum’s story and finally let him off the hook. Nevertheless, Blum paid for his carelessness with his job.

The Bank of Cape Fear’s Salem branch may well be remembered more, however, for a series of events that led to the rising of Wachovia National Bank (and later Wachovia Corporation) from the figurative ashes of the failed Bank of Cape Fear at the close of the Civil War.

An “Inner Ring” of stockholders, led by Cashier Israel Lash, withheld from the Confederate government some \$50,000 to \$125,000 of the branch’s hard assets and secretly deposited the gold, silver and foreign exchange in northern banks during the war. Near the end of hostilities, the Inner Ring scoured outside their home area for notes from their own bank in Salem, which were payable only there or at Wilmington, but by now were greatly devalued everywhere else, and personally bought them up at a deep discount.

The Inner Ring next exchanged the notes for the hidden assets, presumably at a far less discounted value, which allowed a quick profit. Finally, with sufficient hard cash now in their own hands, these masters of legal sleight of

A \$5 note from Salem, 1860. Note that a (red) cross has been hand stamped next to the portrait at left and appears similarly on many of the bank’s issues payable in Salem. Although Douglas Ball has identified the cross as a cancellation stamp, the author welcomes any other suggestions.

hand secured one of the first of the new National Bank charters in 1866. A move of the new Salem National Bank down the street to Winston in 1879 occasioned a new charter, and the Wachovia name has been associated with the bank ever since.

The Branch at Asheville

The branch in this little hamlet in the western mountains of North Carolina served the banking needs of a huge geographic area that stretched from Knoxville, TN, to Atlanta, GA. Established in 1843, this branch ended operations when the Bank of Cape Fear closed in 1866. The bank at Asheville issued many notes payable at its own location during the period.

With the bank out of business after the war, Asheville remained so remotely located that the absence of a circulating medium of exchange could only be handled, for a time, by the town's issuing its own scrip. Many minor sales were adjusted to the nearest nickel for lack of one- to three-cent coins for making change. It was not until 1879 that another bank began operations, and in 1890 the Bank of Asheville became the National Bank of Asheville.



A \$4 note from Asheville, 1855.

Asheville, more than any of the other branches of the Bank of Cape Fear, dealt with large amounts of gold. Widespread mining in the area commenced at the dawn of the nineteenth century and continued until 1849. At that point, the California gold rush suddenly took precedence for students of the get-rich-quick school of manual labor. The home office in Wilmington took advantage of the large gold deposits in its western branch in one of many attempts to avoid redeeming its paper money for the gold or silver the currency promised on demand.

The bank's various schemes to protect its gold and silver from redemption are recounted in detail in Chapter 2 of the book, along with the financial panics that ensued from sudden, coordinated and excessive demands by speculators for the bank to make good on its notes.

Asheville's role in specie protection was a relatively simple one. It sent excesses of its deposited gold to Wilmington in exchange for equal values of bank notes. The part of the deal advantageous to the bank's stockholders was that these notes were all payable in Wilmington, and not in Asheville. The bank counted on many of the notes wearing out, getting lost, or for whatever reason never finding their way back to the home office where they could qualify for redemption or be recalled in favor of newly issued designs. Any dollars thus lost represented a profit to the bank and its owners and reduced the amount of silver needed to back the circulating currency. ♦



David Sundman, President
 ANA Life Member #4463;
 PNG #510; Society of Paper Money
 Collectors LM#163; Member,
 Professional Currency Dealers Association

Last Year Alone...

Littleton Spent More Than \$14 Million on U.S. Coins & Paper Money!

We can afford to pay highly competitive buy prices because we retail all the notes we buy.

**Over 150,000+ Littleton Customers
 Want Your Notes!**

Wide Range of U.S. Notes Wanted!

- Single notes to entire collections
- Early large-size notes to high denomination small-size notes
- All types including Legal Tender Notes, Silver & Gold Certificates and more
- Very Good to Gem

Why You Should Consider Selling to Littleton

- We buy for our retail customers – so we can pay more
- Fair appraisals and offers
- Fast confirmation and settlement
- We pay finder's fees and make joint arrangements
- Over 56 years experience buying and selling coins and paper money



*(left to right) Josh Caswell, Jim Reardon,
 Butch Caswell and Ken Westover
 Littleton's experienced team of buyers.*

Contact us:

Buyer Phone: (603) 444-1020

Toll Free: (800) 581-2646

Fax: (603) 444-3501 or

Toll-Free Fax: (877) 850-3540

Facts D97

CoinNet NH07

coinbuy@littletoncoin.com

Dun & Bradstreet #01-892-9653

☒ **YES!** I'm interested in selling paper money to Littleton. Please contact me regarding my collection or holdings.

Fill out this coupon and
 Fax Toll Free to
 (877) 850-3540,
 or Mail to:



**Littleton
 Coin Company**

Dept. BYA302
 1309 Mt. Eustis Road
 Littleton, N.H. 03561-3735
 coinbuy@littletoncoin.com

Name _____

Address _____

City/State/Zip _____

Daytime Phone _____

Best time to call _____

THIS COULD START OUT WITH “ONCE UPON A TIME,” but would probably not be believed. It’s true, never-the-less. Once the city of Mechanicville, NY enjoyed two National Banks, both well established having appearance of strength and respectability. That was before events of Summer 1931 unfolded like a poorly executed practical joke played upon the population of this small city.

Act I

It was a simple sign, the kind of sign you would expect a bank to author: short, concise, to the point, and unfortunately maybe a bit lacking in detail. Perhaps brevity and ambiguity were the ingredients the bank officials had sought, but they certainly got much more than they bargained for before it was all over.

The sign that festooned the wall opposite the bank’s front door announced that the First National Bank was divesting itself at public auction of a piece of urban property it had acquired through foreclosure. It was 1931,

But Then There Were None **Once There Were Two**

BY TOM MINERLEY

after all, and signs like this were nothing new. They barely solicited a second glance.

Unfortunately for the bank, at least one person read it who did not really grasp completely what the bank intended.

Within the Mechanicville community, even during these Depression days, were ample employment opportunities, most stemming from the city’s location on key rail and canal lines. Available employment attracted some of

The First National Bank in 1917. The building has subsequently been demolished.



J&F Rubenstein

Buying and Selling the Finest U.S. Currency

Uncut Sheets Nationals - Large and Small Type Notes

Fancy Serial Numbers Error Notes

Auction Representation Consignments Accepted

Actively Buying Collections Want Lists Serviced

See us at all the major shows

Members PCDA, FUN, ANA, ANS

P.O. Box 4543

Greensboro, NC 27404

Telephone: (336) 299-7061

E-mail: Miagold@aol.com

Collectibles

INSURANCE For The Paper Money Collector

Your homeowners insurance is rarely enough to cover your collectibles. We've provided economical, dependable collectibles insurance since 1966.

- **Sample collector rates:** \$3,000 for \$12, \$10,000 for \$32, \$25,000 for \$82, \$40,000 for \$132, \$60,000 for \$198, \$1 per \$1,000 above \$60,000.

- **Our insurance carrier** is AM Best's rated A+ (Superior).

- **We insure Paper Money, Stock Certificates and scores of other collectibles in numerous categories.** "One-stop" service for practically everything you collect.

- **Replacement value.** We use expert/professional help valuing collectible losses. Consumer friendly service: Our office handles your loss—you won't deal with a big insurer who doesn't know collectibles.

- **Detailed inventory** and/or professional appraisal not required. Collectors list items over \$5,000, dealers no listing required.

Collectibles Insurance Agency

P.O. Box 1200-PMC • Westminster MD 21158

E-Mail: info@insurecollectibles.com



See our online application and rate quote forms on our website!

More Info? Need A Rate Quote? Visit: www.collectinsure.com

Or Call Toll Free: 1-888-837-9537 • Fax: (410) 876-9233



Third Charter Plain Back notes are, to the author's knowledge, all that survived of the large size notes issued by the First National Bank. Hugh B. Dugan, President; Robert G. Moore, Cashier.

the newest immigrants to the United States, including many exiles from Italy.

This piece of information is important to remember as this story unfolds. When local newspapers, in that age of "political incorrectness," referred to "foreigners" or the "foreign influence," their references in this region were most likely veiled synonyms for "Italians."

On Monday, February 22, 1931, one of the city's residents of that nationality read the posting, and having limited command of English unfortunately misinterpreted it. Instead of understanding that the bank was divesting itself of property on which it had foreclosed, it was mis-read that the bank itself was the victim of foreclosure action.

This unfortunate mistake became the catalyst of calamity that followed. One person's error became several, several became many, and soon a large crowd showed up at the tellers' cages demanding immediate withdrawal of their funds. The local newspaper reported:

Hugh Dugan, president, was reluctant to give any definite information concerning the amount withdrawn. It was he who finally discovered the cause of the panic. One of the depositors among the screaming mob which rushed the bank in an effort to obtain their money as speedily as possible was taken to the president's office and questioned. He pointed out the foreclosure sign which reported the forced sale at the bank of a structure on North Main Street, Mechanicville. An Italian resident had seen the sign while passing the bank early yesterday and had rushed to the foreign sections to inform friends and relatives that the bank was being sold.

Several days later, on the 26th it added:

The rumor spread like wildfire and the run on the bank started at 10:30 a.m. and was not halted until yesterday afternoon. . . Several prominent merchants were summoned to the bank when the amazed employees realized the seriousness of the situation. They circulated among the more influential of the foreign element and explained the situation.

Few Series of 1929 small size notes survived the bank's collapse. Hugh B. Dugan, President; Robert G. Moore, Cashier.



Later estimates put the total mob at 125, and the amount withdrawn during the “run” at \$150,000.

Confidence in the bank had been severely shaken, and was never to be restored. The bank continued to operate until June 20. Then its Board of Directors, in consultation with National Bank examiner Andrew Douglas, determined it was in the best interest of the depositors to close the bank and conserve what capital remained. “Although no official information could be obtained as why the bank was closed, one of the directors, who refused to divulge his name, said that the bonds which the bank held had depreciated so low the bank could not continue any longer.”

Reorganization plans seemed to lead nowhere during that summer of 1931. Plans to have depositors take 20% of their deposits in a reorganized institution or to encourage business and community leaders to lend support in capitalizing an entirely new bank never got off the ground. Like General Douglas MacArthur’s proverbial Old Soldier, the bank “just faded away.”

In time, depositors were paid off and time healed most wounds. But, what started that fateful Monday at one bank had a chilling effect on the city’s other bank as well.

Act II

Sometimes it’s true: One can be in the wrong place at the wrong time and everything goes, you guessed it, wrong.

The summer of 1931 provided the time and the Manufacturers National Bank of Mechanicville provided the venue for the disaster.

The scene had already been set: the First National Bank had been forced to close its doors. On June 20 it was determined that the bond market had wreaked havoc with the bank’s holdings bringing it down in flames. The community was financially edgy, but there was no apparent reason to assume a failure of one institution would adversely affect the other.

Manufacturers’ handled more than \$3,000,000 in deposits. What could possibly go wrong? Unfortunately Andrew Douglas, the National Bank examiner charged by the Comptroller of the Currency with winding up affairs of the First National Bank, proved the catalyst.



The Manufacturers National Bank in 1919. This edifice survived the calamity of summer 1931, and now serves the city as a branch of Fleet Bank.



Second Charter Date Back. William L. Howland, President; Newton T. Bryan, Cashier.

Douglas is the pivotal figure in this melodrama. Friday, August 7 is the pivotal date when all the pieces in Act II of this black comedy came together. Only six weeks after the FNB had closed its doors, the local press reported:

Douglas and his assistants have been at the bank (Manufacturers) examining accounts. Friday afternoon presence of the examiners was noted and because they had been seen at the First National Bank before that institution closed, a group, composed largely of a foreign element, began to withdraw deposits.

Saturday morning shortly before 10 o'clock the bank was jammed with persons withdrawing deposits. The run continued despite announcements that the bank was fully capable of meeting demands. At noon, in accordance with summer custom, the doors were closed. Saturday night at 7 o'clock the bank reopened, as is also customary, to receive deposits. When another run started, this action was reversed and demands for withdrawals were honored until 9 o'clock, the regular closing hour.

An announcement was publicized about the city the following afternoon that the bank had determined to suspend business. On Tuesday, a reason was finally put on paper. "... A.M. Douglas, representative of the Comptroller of the Currency, Washington, who has taken charge of the Manufacturer's (sic) Bank as he assumed charge of the First National Bank recently, announced yesterday that the Manufacturer's (sic) Bank had been closed to 'conserve the assets and to protect interests of the depositors and other creditors'"

Public interest focused on the dilemma that within weeks a city of some 8,500 persons was without banking facilities of any kind. Municipal and public monies for Mechanicville and communities for miles around were now tied up in the jumble that followed both banks' collapse.

Third Charter Plain Back. Howland and Bryan remained at their posts.

In shades of *It's a Wonderful Life*, but with a dark twist, the local Co-operative Savings and Loan Associations advised their members after receiving



EARLY AMERICAN NUMISMATICS

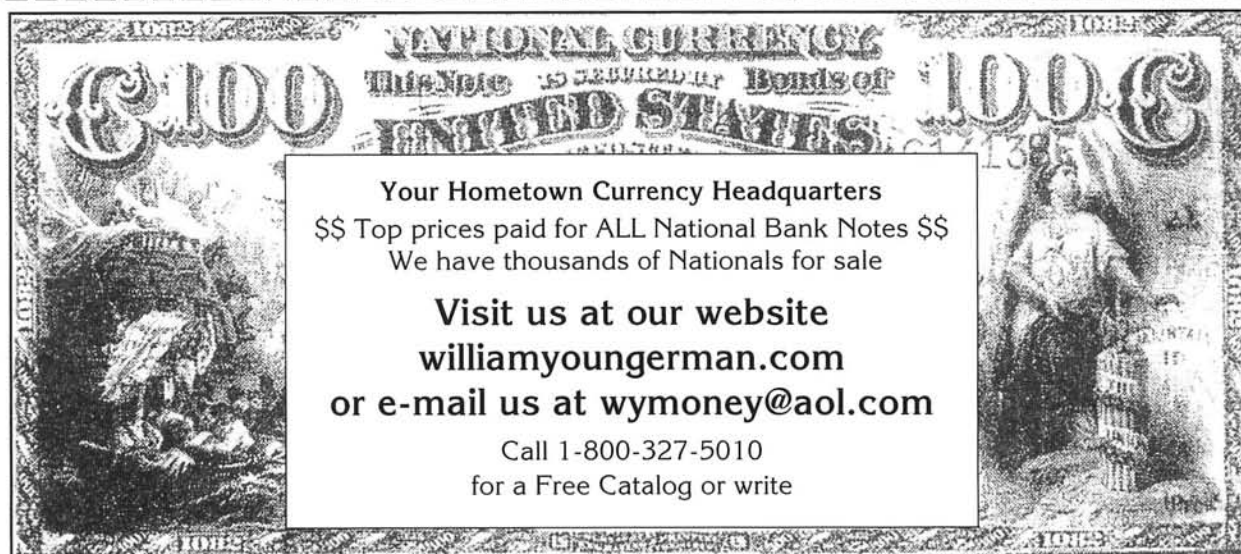
P.O. Box 2442 • La Jolla, CA 92038 • (858) 459-4159 • Fax (858) 459-4373



- UNITED STATES COINS AND CURRENCY
- INDIAN PEACE MEDALS
- COLONIAL CURRENCY
- OBSOLETE CURRENCY
- ENCASED POSTAGE STAMPS
- FRACTIONAL CURRENCY
- REVOLUTIONARY WAR
- CIVIL WAR & GREAT AMERICANA

*Subscribe to Receive our Beautiful, Fully Illustrated Catalogs
Only \$72 for a Full Year's Subscription of Six Bimonthly Issues*

Visit Our Website: **www.EarlyAmerican.com**



Your Hometown Currency Headquarters
 \$\$ Top prices paid for ALL National Bank Notes \$\$
 We have thousands of Nationals for sale

Visit us at our website
williamyoungergerman.com
 or e-mail us at **wymoney@aol.com**

Call 1-800-327-5010
 for a Free Catalog or write

William Youngerman, Inc.

Rare Coins & Currency

"Since 1967"

P.O. Box 177, Boca Raton, FL 33429-0177

Member: PNG, PCDA, ANA, SPMC and others

requests for withdrawals that they would strictly impose the 60-day clause in the members' contract, thus forestalling any immediate outlays.

In early August, both banks were wrapped up by a single receiver, Pardon C. Rickey. For a while, Rickey operated as a one-man bank. He accepted cash in exchange for his personal checks for like amounts. He took steps to see that these checks would be honored by out of town banks, but it was a sorry state of affairs for the community.

All attempts to revive the bank failed for one reason or another. There was a lack of enthusiasm to let the same people run things, and also a lack of capital to start all over again. A plan to use a percentage of the total deposits of the two banks to form the capitalization of a new bank was proposed. However, there was not enough support to carry that plan off and no influx of outside capital.

Diminutive survival rate of Series of 1929 notes make the small size issues of the Manufacturers NB much scarcer than their large sized counterparts. Again, officers remain Howland and Bryan.



Act III

Assets were liquidated and debts paid off. Another bank assumed the old Manufacturers National Bank building. The age of hometown banking for this community had ended. Mechanicville had to accept its status as being just a branch of another city's financial institution. ❖

Wanted: Articles of Distinction

Paper Money's Special Issues Are Becoming "the Talk of the Hobby"

Future special issues are planned on Nationals, 20th Century U.S., and Fractional Currency

Wanted especially now are feature articles on international (worldwide) topics for future annual Fall International Special Issues

If you've been working on a masterpiece, this could be your opportunity

Contact the Editor Now

MACERATED MONEY

Wanted information on U.S. Chopped up Money.

Who made the items, where sold, and anything of interest.

Also I am a buyer of these items. Top Prices paid.

Bertram M. Cohen, 169 Marlborough St., Boston, MA 02116-1830

E-mail: Marblebert@aol.com

New Hampshire Bank Notes Wanted Also Ephemera



I am continuing a long-time study on currency issued by banks in New Hampshire, including state-chartered banks 1792-1865, and National Banks circa 1863-1935. Also I am studying colonial and provincial notes.

I would like to purchase just about anything in colonial and provincial notes, nearly everything in state-chartered notes, and items that are scarce or rare among National Bank notes. I am not seeking bargains, but I am willing to pay the going price. I will give an immediate decision on all items sent, and instant payment for all items purchased.

Beyond that, I am very interested in ephemera including original stock certificates for such banks, correspondence mentioning currency, bank ledgers, and more.

With co-author David M. Sundman and in cooperation with a special scrip note project by Kevin Lafond, I am anticipating the production of a book-length study of the subject, containing basic information about currency, many illustrations including people, buildings, and other items beyond the notes themselves, and much other information which I hope will appeal to anyone interested in historical details. All of this, of course, is very fascinating to me!

Dave Bowers

Box 1224

Wolfeboro, NH 03894

Telephone (603) 569-5095

Fax (603) 569-5319

E-mail: barndoor@bowersandmerena.com



Bank Note Artists Depict Master Engraver Dürer

IN 1996 WE CELEBRATED A 425TH ANNIVERSARY: The birth of Albrecht Dürer (1471-1528), the son of a goldsmith. In 1568 Giorgio Vasari, artist and chronicler of artists, wrote that "The entire world was astonished by his (Dürer's) mastery." Artist and master engraver, Dürer is a hero to all security engravers.

The portrait of this supreme artist is often seen in homes and studios of engravers. And, to further pay homage to Dürer, engravers often try their hand at engraving some of his engraved subjects. Among these are *St. Anthony*; *St. Jerome in his Study*; *The Bagpiper*; *Knight, Death and Devil*; *Melencolia*, Dürer's somber self-portrait and his portraits on German bank notes.

The idea of engraving probably had its beginning with *niello*. Ink, or other substance, was placed in a design made from incised lines on armor. By accident, the surface came in contact with cloth before the ink had dried; the image was transferred in reverse. However, those who pursued this new art immediately realized that every image they would create must be engraved in reverse, so the final image will be in the appropriate position.

Security engravers become accustomed to working with reverse images. Many engravers are able to sign their names in retrograde as easily as they would sign it normally.

To learn from master engravers, Albrecht Dürer first traveled from his native Nuremberg in Germany to Switzerland and Italy. Later he left his home once again for the Netherlands and a second trip to Italy. He honored his patrons and friends by drawing their portraits. Among them were Duke Frederick the Wise of Saxony, Erasmus and Willibald Pirckheimer.

The portrait of Pirckheimer was placed on the German 100 billionen mark dated 1924, P140. Unfortunately this note is a rarity in almost any condition. As part of the same series, the 20 billionen, P138, with a portrait of a woman, and the 50 billionen mark, P139, with a portrait of J. Muffel are also by Dürer. (The German millionen is equal to our billion; the German billionen is equal to our trillion).

All are expensive. However, the same female portrait on P138 was later used on the German Federal Republic (formerly West Germany) 5 Deutsche mark, P18 and P30. These notes are available for about \$8.

A larger head of Muffel, based on the same portrait, is found on the German Federal Republic 100 Deutsche mark, P15. The latter note is also expensive at about \$65 in low grade condition.

The German 10,000 marks, P71 and P72, with a male portrait and the 5000 mark, P81, with a portrait of Merchant Imhof, both by Dürer, are inexpensive at \$2 or \$3. These notes are easy to locate; they are often found in bargain boxes for 50 cents each.

The portrait on the German Federal Republic 10 Deutsche mark, P19 and P31, is available for \$15 or less. When compared to Dürer's famous self-portrait, this smooth-faced young man bears a resemblance.

The 20 Reichsmark, PR139, has the image of *The Architect*, by Dürer. This is one of the notes issued by the

Germans for occupied territories during World War II. This note, with a small Nazi insignia at the lower left, will cost about \$10.

Dürer's portrait of German philanthropist Elsbeth Tucher is on the 20 Deutsche mark, P32. This same portrait is on two earlier notes of the same denomination, however, the P32 note is the least expensive at about \$20 in Uncirculated condition.

Germany, P71

If you are an admirer of the work of Albrecht Dürer, but cannot afford original examples of his engravings, some of the German bank notes just described will enable you to enjoy his work for much less money. A number of bank notes include the portraits of and artistic examples of famous artists: Jens Juel, Caravaggio, Delacroix, Holbein, Michelangelo, Rembrandt and Titian.

Bank notes are often overlooked as inexpensive examples of the work of particular artists. Most of us cannot afford thousands of dollars for original art, however \$5, \$25 or \$50 for a bank note creates less pain in our wallets or purses. (Copyright story reprinted by permission from *Coin World*, December 23, 1996) ❖



Lyn Knight Currency Auctions

**Deal With The
Leading Auction Company
in U.S. Currency**



1890 \$1,000 "Grand Watermelon" Note



\$500 1880 Legal Tender



Serial #1 Washington Brownback



1882 \$1,000 Gold Certificate

If you are buying notes...

You'll find a spectacular selection of rare and unusual currency offered for sale in each and every auction presented by Lyn Knight Currency Auctions. Our auctions are conducted throughout the year on a quarterly basis and each auction is supported by a beautiful "grand format" catalog, featuring lavish descriptions and high quality photography of the lots.

Annual Catalog Subscription (4 catalogs) \$50
Call today to order your subscription!
800-243-5211

If you are selling notes...

Lyn Knight Currency Auctions has handled virtually every great United States currency rarity. We can sell all of your notes! Colonial Currency... Obsolete Currency... Fractional Currency... Encased Postage... Confederate Currency... United States Large and Small Size Currency... National Bank Notes... Error Notes... Military Payment Certificates (MPC)... as well as Canadian Bank Notes and scarce Foreign Bank Notes. We offer:

- ***Great Commission Rates***
- ***Cash Advances***
- ***Expert Cataloging***
- ***Beautiful Catalogs***

Call or send your notes today!

If your collection warrants we'll be happy to travel to your location and review your notes

800-243-5211

Mail notes to
Lyn Knight Currency Auctions
P. O. Box 7364, Overland Park, KS 66207-0364

We strongly recommend that you send your material via USPS Registered Mail insured for its full value. Prior to mailing material, please make a complete listing, including photocopies of the note(s), for your records. We will acknowledge receipt of your material upon its arrival.

If you have a question about currency, call Lyn Knight.
He looks forward to assisting you.

Lyn Knight
Currency Auctions

A Collectors Universe Company
Nasdaq: CLCT

P.O. Box 7364, Overland Park, KS 66207 • 800-243-5211 • 913-338-3779 • Fax: 913-338-4754
• E-mail: lynknight@aol.com • www.lynknight.com

About TEXAS

Mostly

By FRANK CLARK

FNB of Lewisville Texas Bank Robbery

ON APRIL 25, 1934, THE FIRST NATIONAL Bank of Lewisville (#7144) was robbed by Raymond Hamilton and T.R. Brooks. Raymond Hamilton was a former member of the Bonnie and Clyde gang. Hamilton and Brooks fled with a total of \$1,000.

They were pursued by bank customer T. "Bull" Hyder and Denton County Constable D.H. Lawrence for two hours north toward Sherman, Texas.

Hyder and Lawrence were closing in on the bank robbers, but a train cut them off. However, police in five North Texas counties had been alerted by radio of the fleeing bank robbers. This helped produce a large posse of lawmen and citizens. The posse

eventually caught up to Hamilton and Brooks when their car stalled just south of Sherman.

Hamilton and Brooks were armed, but they surrendered without a shot. Grayson County deputies recovered the bank's \$1,000 from the robbers' car, which was also found to have been stolen.

Hamilton was already on the lam. He had escaped from prison while serving a 263-year sentence. He was returned to prison. Texas Governor Miriam Ferguson awarded Hyder a \$100 reward for aiding in the capture.

A small size National Bank Note on the First National Bank of Lewisville is shown. Nationals like this one were in circulation at the time of the bank robbery.



BIBLIOGRAPHY

Blanchette, Scott. "Real Life Cops and Robbers," *The North Texan*, Denton, Texas (Summer, 1998). ♦

The Last Shipment of National Bank Notes

THE LAST SHIPMENT OF NATIONAL BANK Notes was made to The First National Bank of Chillicothe, Ohio, charter #128. This shipment was due to a bond adjustment caused by a clerical mistake in totaling the value of the bonds that were used to secure the circulation issued by the bank.

An addition error was made by a clerk in the Comptroller of the Currency office who was balancing the bond ledger for charter #128. The circulation of the bank was understated by \$50,000. This mistake was discovered by the Comptroller of the Currency office on July 10, 1935.

The last printing of notes for this bank was January 19, 1935, and consisted of serial numbers A010261-A015216 for the \$10 denomination and serial numbers A002545-A003936 for the \$20 denomination, with engraved signatures of C.F. Hagemann as cashier and O.G. Kerr as president.

Therefore, there were notes on hand when the \$50,000 mistake was discovered. On July 13, 1935 \$50,000 in Type 2 nationals were shipped to The First National Bank of Chillicothe via registered mail from the Comptroller of the Currency for \$10.77. This was two months after the National Bank Note program came to a close due to the U.S. Treasury recall of certain United States bonds.

This recall made the bonds unavailable as security for further issuance of National Bank Notes. When this happened the word came down to stop the presses for nationals immediately.

The serial numbers for the last shipment were: \$10 A010261-A013260 and \$20 A002545-A003544. Several notes from this last shipment of nationals survived. Recently, the very last \$10, serial number A013260 has turned up. Pictured is a \$20 from the last shipment, serial number A002790. These are a nice addition to a collection of nationals.

BIBLIOGRAPHY

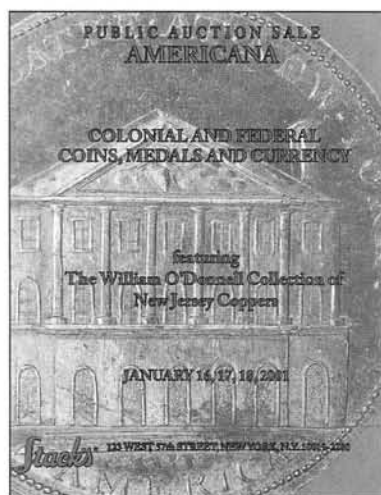
Friedberg, Robert. *Paper Money of the United States*, Ninth Edition. Coin and Currency Institute, Inc. (1978).
Huntoon, Peter. "Last of the National Bank Notes Discovered," *Bank Note Reporter* (April 2002), p. 24.
Huntoon, Peter, and Van Belkum, Louis. *The National Bank Note Issues of 1929-1935*. Chicago: Hewitt Brothers (1970). ♦



America's *OLDEST COIN* Auction House Is Also America's *OLDEST CURRENCY* Auction House

When you think of *selling*, you must think of *Stack's*[®]
Consignments are now being accepted for our upcoming
2002/2003 Auction Schedule

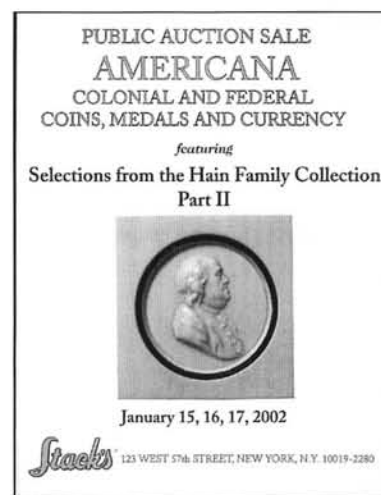
Contact Harvey or Lawrence Stack for consignment information.



**2001
AMERICANA SALE**
*Prices Realized nearly
\$4.5 Million, including
\$850,000 in banknotes.*



**66th
ANNIVERSARY SALE**
*Private Museum Collection
of U.S. Type Notes
Prices Realized \$300,000+.*



**2002
AMERICANA SALE**
*Prices Realized Over
\$7.3 million, including
\$500,000 in currency.*

Stack's[®]

123 West 57th Street
New York, NY 10019
Telephone (212) 582-2580
FAX: (212) 245-5018
e-mail: info@stacks.com

Visit our Web site at www.stack.com

STACK'S NUMISMATISTS
Auctions — Appraisals — Retail
SINCE 1935

Pcda
Tom Panichella



Larry Stack
Harvey Stack

Bank of Panama

A Review of Panama's Third Bank

BY JOAQUIN GIL DEL REAL

WITH THE EXPIRATION OF THE BANCO DE PEREZ Y Planas' eight year license in 1868 (see *Paper Money*, #188, March/April 1997), a proposal was made in September of that year to establish a new Bank. The proposal put forward by Messrs. Ricardo Planas, William Francis Kelly and Jose Agustin Arango¹ was published in the November issue of the *Official Gazette*, Number 220.



Native of Barcelona and father of Ricardo Planas (founder of the bank), Antonio Planas originally operated a "Casa de Cambio" (exchange house) in the City of Panama. He was also a signer of Panama's Declaration of Independence from Spain in 1821.

Convinced of the necessity for establishing a bank and in agreement with the aforementioned proposal, the Governing Authority signed a contract on January 29th, 1869, subject to compliance with the recently approved Law of January 19, 1869.² The President of the State of Panama, General Buenaventura Correoso, granted a license for the establishment of a Bank of Circulation, Discount and Deposit, with a capital of \$250,000 pesos to be named Banco de Panama.

Article 6 of the license authorizes "... the exclusive right to issue Bank bills, to bearer and at sight, for an amount equal to triple the specie in its vaults, and said Bank bills will be admissible by all State offices, as though they were cash." Article 8 reads: "The Government of the State of Panama will receive in compensation of the rights and exemptions granted to the Bank by the present contract, four per cent of net profits that the Bank generates from its operations."³

On the 22nd of June 1869, Ricardo Planas and W.F. Kelly drew up a contract in New York for the organization of a corporation to operate the Bank. Ownership was divided to include: Ricardo Planas 40%; W.F. Kelly 40%; and Jose Agustin Arango 20% of the shares. Further stipulations

The portrait of Antonio Planas was engraved for American Bank Note Co. by Charles Burt. In 1861 ABNCo had printed 10,000 each of 2-, 3-, 5- and 10-peso notes for the Banco Perez y Planas, United States of Colombia. In 1869, the 5- and 10- peso plates were altered to read "Banco de Panama." The 5-peso (Pick S722) is black and brown.



**CHECK THE "GREENSHEET"
GET 10 OFFERS
THEN CALL ME (OR WRITE)
FOR MY TOP BUYING PRICES**

The Kagin name appears more often than any other
in the pedigrees of the rarest and scarcest notes
(U.S. Paper Money Records by Gengerke)

BUY ALL U.S. CURRENCY Good to Gem Unc.

I know rarity (have handled over 95% of U.S. in Friedberg)
and condition (pay over "ask" for some) and am prepared
to "reach" for it. Premium Prices Paid For Nationals
(Pay 2-3 times "book" prices for some)

BUY EVERYTHING: Uncut Sheets, Errors, Stars,
Special Numbers, etc.

I can't sell what I don't have

Pay Cash (no waiting) - No Deal Too Large

A.M. ("Art") KAGIN

505 Fifth Avenue, Suite 910

Des Moines, Iowa 50309-2316 (515) 243-7363 Fax: (515) 288-8681

At 82 It's Still Time - Currency & Coin Dealer Over 50 Years

I attend about 25 Currency-Coin Shows per year

Visit Most States (Call, Fax or Write for Appointment)

Collector Since 1928

Professional Since 1933

Founding Member PNG, President 1963-64

ANA Life Member 103, Governor 1983-87

ANA 50-Year Gold Medal Recipient 1988



Face and back (detail) of the 10-peso notes produced from the altered plates showing the portrait of Planas and the authorization for the issue. The 10-peso (Pick S723) is black and brown.



included procedures in case of demise of any of the owners. The contract was signed before Notary Public Adolph Greene in the County of New York, and was registered in Panama by Public Deed of 14 August 1869.

Interestingly, the contract states: "It is expressly stipulated that Ricardo Planas is not obliged to effect any personal labor, except when he can conveniently do so."⁴

That very same day, the Directors of the Bank requested an inspection visit by the President of the State for purposes of verification that the proper conditions existed so that the Bank could be legally declared as open for business.⁵ The inspection took place. A balance of \$63,048.17 pesos was verified, including specie, notes and Treasury Bills,⁶ and the Bank was declared as legally open for business.

The year 1869 was not an exceptionally good economic year for the Isthmus of Panama. The Transcontinental railroad in the United States was completed with the driving of its last spike at Promontory Point, Utah, on May 10th 1869. The eventual loss of revenue by the Panama Railroad had a very serious impact on the local economy.

Within the Banco de Panama's operations, we find a filing of Protest for non-payment of a \$246.20 peso note in 1870.⁷ At the end of that same year the Bank lent the State \$10,000 pesos in Treasury Bills, guaranteed by revenues from the Panama Railroad. References have also been found regarding financing of uniforms, weapons and sundry items related to armed conflict.

In 1869 an order was placed with ABNCo for the 1-, 20- and 50-peso notes using the same portrait of Antonio Planas. New plates were made. The 20-peso (Pick S724) is black and orange, 3 1/8 inch by 7 3/8 inches.



On June 3rd 1873, The Bank announced its only known issue of bills for a sum of \$32,000 pesos.⁸ Unfortunately, we have not been able to find either the quantity nor the total amount of these bills that were issued.

In February of 1874, a great conflagration broke out in the City of Panama. Among those businesses affected were the warehouses and offices of Planas, Arango & Cia. who were the operators of the Banco de Panama.⁹ Later that year in August, the *Star & Herald* printed an item indicating that Mr. W.F. Kelly had been designated as Ambassador of Guatemala to the Ottoman Empire. It also advised of his departure that very same day.

In the same newspaper on the 29th of September of that year, the last commercial advertisement of the Banco de Panama appears. It confirms the demise of that banking house.

The bills of the Banco de Panama were engraved by the American Bank Note Company, New York, using the \$5 and \$10 peso note matrix of the Banco de Perez y Planas notes. Only one note that was signed has been identified. It is a \$10 peso note, Number 0309, signed by Jose Agustin Arango, which is currently in a private collection.

One peso notes are available though higher denominations are difficult to find. Most rare are the \$20 and \$50 peso notes.

ABNCo printed a total of 39,000 notes for the Banco de Panama: 1-peso (25,000), 5-pesos (10,000), 10-pesos (2,000), 20-pesos (1,500), and 50-pesos (500). The 50-peso (Pick S725) is black and tan, 3 5/8 inch by 7 7/8 inches.



END NOTES

- ¹ Archivo Nacional de Panama, Seccion de Historia, Periodo Colombiano, Cajon 868, Tomo 2525.
- ² *Boletin Oficial del Estado Soberano de Panama*, Numero 227, January 1869.
- ³ Archivo Nacional de Panama, Seccion de Historia, Periodo Colombiano, Cajon 868, Tomo 2525, Folio 18-21.
- ⁴ Archivo Nacional de Panama, Seccion Notarias, Notaria 1ra, Escritura Numero 215, August 14, 1869.
- ⁵ Archivo Nacional de Panama, Seccion Historia, Periodo Colombiano, Cajon 868, Tomo 2525, Folio 22.
- ⁶ Archivo Nacional de Panama, Seccion de Historia, Periodo Colombiano, Cajon 868, Tomo 2525, Folio 23-24; *Boletin Oficial del Estado Soberano de Panama*, Numero 252, August 19, 1869; *Panama Star & Herald*, August 17, 1869.
- ⁷ Archivo Nacional de Panama, Seccion de Notarias, Notaria 1ra, Escritura Numero 134, 1870.
- ⁸ Archivo Nacional de Panama, Seccion de Historia, Periodo Colombiano, Cajon 871, Tomo 2612, Folio 134.
- ⁹ *La Estrella de Panama*, February 21, 1874.





The Bank of Whitfield Dalton, Georgia

By Steve Whitfield

Above, Bank of Whitfield \$5 with L. FULLILOVE DALTON GEO. JUNE FIRST 1861 overstamp.

FEW PAPER MONEY COLLECTORS GET TO PURSUE BANK notes from banks with their own names in the title. Not long after the present writer got hooked on obsolete notes, I saw my first Bank of Whitfield note. It appeared in an ad for railroad scrip, published by Grover Criswell back in the early 1970s.

Eventually I obtained that note and set out to find more about the notes issued and the history of the bank. I wrote to the Dalton Historical Association, but they were unable to assist. Listings of notes that were issued eventually identified all of the known notes of the bank, and various dealers helped me obtain most of the notes on that list.

For many years I had a display hanging on my office wall of several of these notes superimposed on a map of Civil War era Georgia around Dalton. But I never got through Dalton to do any looking for related history.

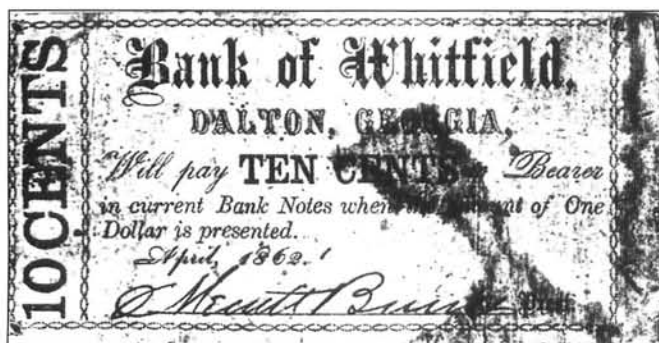
Then a friend sent me a copy of a newsletter published by the Dalton Civil War Roundtable that included an article about Civil War banking in Dalton. It had a good deal of the information I had been seeking. An extract of that article appears below:

Whitfield County, Georgia was created in 1851, out of part of Murray County. The Planters & Mechanics Bank was in business at Dalton by 1855. James Morris was president and J.B. Thompson was cashier.

By 1861, the Bank of Whitfield, with L. Fullilove as president was doing a local business. On April 12, 1861, the bank turned down a request by Governor Joseph E. Brown to take part of the state loan to arm and equip Georgia troops. Mr. Fullilove wrote that the "bank under previous management had sustained very heavy losses and was nearly forced to close." The stockholders had requested Mr. Fullilove to take over the institution, and he was elected president in April, 1861. The bank had heavy liabilities and few assets at the time.

Mr. Fullilove also owned nearly all the stock and shares of the Planters & Mechanics Bank while he was

Bank of Whitfield Civil War issue fractional note.



WANTED

Any Fractional Note, Any Condition

The Fractional Store at
fractionalnotes.com

*will buy, trade, consign or upgrade
 any United States Fractional Currency Note in your collection.*

Silver Penny Currency and Coins, Ltd.

Post Office Box 339, Red Feather Lakes, CO 80545

Toll Free: 1-877-204-5220

email: silverpennycoins@yahoo.com URL: www.fractionalnotes.com



Incomparable

MONEY MASTERPIECES

by

TIM PRUSMACK

The Understated Elegance of Confederate Currency

Discover historic American Currency that has become time honored and distinctively reflective of the Civil War Period. TIM PRUSMACK'S MONEY MASTERPIECES mirror the dignity and splendor of Confederate-related Currency that brings appreciation and long term value to your collection. Make a good collection better with MONEY MASTERPIECES...and show the magnificence of Confederate Currency.

TIM PRUSMACK, 4321 Gator Trace Dr., Fort Pierce, FL 34982-6806
 Tel: (772) 464-6391 / Fax (772) 464-3461 / EMail: TPrusmack@aol.com
 To view MONEY MASTERPIECES on line: www.money-art.com





Bank of Whitfield \$5, issued dated Nov. 10th, 1861 with Confederate \$5 "Blue Back."

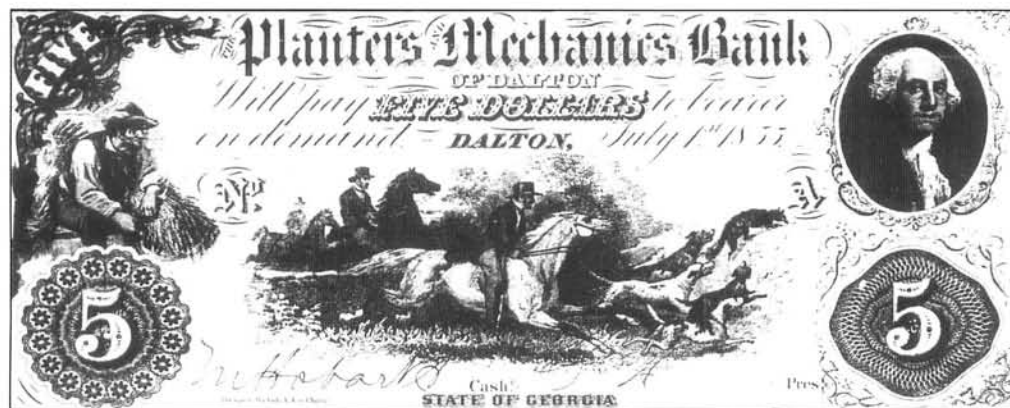
serving as president of the Bank of Whitfield. Early in 1862, he sold his interests in the Planters bank to the Bank of Whitfield. At that time he made Merrett Burns president and John B. White cashier of the bank. Both banks were probably merged at that time.

On June 2, 1862, a notice appeared in the *North Georgia Times* to the effect that the Bank of Whitfield had passed under the control and management of new parties and would continue to transact business at their banking house in Captain Morris' new brick building on Hamilton Street. "Confederate Treasury Notes and other good bank notes would be exchanged for all Planters & Mechanics Bank notes, except notes signed by S.C. Hull, vice president and H. Hobart, Ass't cashier, which notes were fraudulent". Business hours were nine to three o'clock. John B. White was cashier, and Merrett Burns was president. This notice ran as late as November 18, 1862. The bank probably ceased operation soon thereafter during the "bank upheavals" of 1862/1863.

Many of the notes printed for the bank are commonly found in dealers' stocks. Fractionals issued during the war are scarce, especially the 1863 issue redeemable in Confederate Treasury notes. The fractionals and Manouvrier notes are usually found in poor condition. One of the bank's notes was issued with the famous Confederate blue back. Issued notes, over stamped as redeemable by L. Fullilove have historical interest. The related Planters & Mechanics \$5 note with the fox hunting vignette is an attractive collectible. The pink variety, unfortunately, is counterfeit, but still very attractive.

The information about the bank was included in an article by Marvin Sowder, which appeared in *The Haversack*, Newsletter of the Civil War Roundtable of Dalton, Inc., Dalton, Georgia, Vol VIII, Number VIII; February, 1990. If anyone has additional information about the Bank of Whitfield, or whether the old bank building on Hamilton street is still standing in Dalton, the author would appreciate hearing about it at swhitfi@SFWMD.gov; or in care of this magazine. ♦

Planters & Mechanics Bank \$5, issue dated July 1st, 1855, counterfeit with the delightful Fox Hunting vignette.





**We are proud to continue the
numismatic legacy begun in 1933**

Specializing in Quality and Rare U.S. Currency
U.S. Large Size Fractionals U.S. Small Size
Nationals National Gold Bank Notes

**Kagin's -- an established name for conservative
grading of quality notes.**

We specialize in building U.S. currency collections
of premium quality and rare notes. Favorable terms
to suit your individual needs.

**98 Main Street #201
Tiburon, CA 94920 1-888-8KAGINS
www.kagins.com
Call Judy**

WANTED: NATIONAL BANK NOTES

**Buying and Selling Nationals
from all states.**

Price lists are not available.

Please send your want list.

***Paying collector prices for better
California notes!***

WILLIAM LITT

P.O. BOX 6778

San Mateo, California 94403

(650) 458-8842

Fax: (650) 458-8843

E-mail: BillLitt@aol.com

Member SPMC, PCDA, ANA

Claud & Judith Murphy

**We Buy & Sell
Paper Money, checks, bonds,
stocks, letters, old postcards,
stereoviews, cdv's . . .**

If it's old and it's paper, we have it!

**Box 24056
Winston-Salem, NC 27114
336-699-3551**

**fax: 336-699-2359
e-mail: MurphyAssoc@aol.com
www.murphyenterprises.com**

*****NATIONALS! NATIONALS!*****

LOOKING FOR A SPECIAL NOTE/

**WE STOCK A NICE SELECTION.
WANT LISTS REQUESTED.**

BUYING - CONTACT US FOR FAIR OFFER.

**SPECIALIZING IN ILLINOIS AND MIDWESTERN
NATIONALS**

VISIT OUR WEB PAGE AT:

WWW.KYZIVATCURRENCY.COM

**IMAGES OF ALL NATIONALS
UPDATED REGULARLY WITH NEW NOTES**

TIM KYZIVAT

P.O. BOX 451

WESTERN SPRINGS, IL 60558-0451

708 - 784 - 0974

tkyzivat@kyzivatcurrency.com



'Misplaced' Back Plate Numbers

BY MICHAEL V. STRATTON

EXAMINING VARIOUS BILLS OBTAINED IN circulation or at the bank as a matter of course is a good habit to get into. Various differences can sometimes be found on older series of notes found in circulation. Bugging your family to check their notes too is a good way to bring them into the collecting fraternity or turn them off on collecting completely!

Over the course of the years, I have examined the notes I obtained and learned things that I have failed to see explained in various collector publications. For example, I noticed that on every note I examined, the front plate number was normally in the lower right corner of the bill's face, while the back plate number was also in the lower right corner of the bill's back.

It was while checking for mules (a note that has the front plate number printed in one size while the back plate number is a different size) that I discovered that the Fort Worth-printed bills (the ones with the letters FW next to the front plate number) are all mules. (There is one exception, the 1995 Ft. Worth back plate number 295, as reported in *Numismatic News*, Feb. 20, 2001.) That is, the back plate numbers are a larger size font than the front plate numbers. (See *Paper Money*, Volume XXXVI, Number 4, July/August 1997, page 120.) By contrast notes printed at the BEP in



Washington, D.C. have front and back plate numbers the same size.

I also found two notes on which the back plate numbers were not in their customary location. Figure 1 is a photograph of the reverse of a normal \$1 Federal Reserve Note with the back plate number in its customary position.

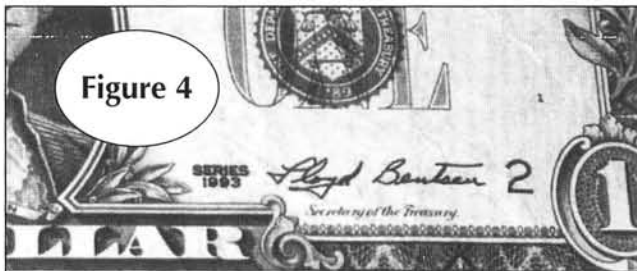
The first note I found is a Series 1985 Federal Reserve Note \$1, serial number F07700168A, with a front plate number F1 and a back plate number of 129. The location of the



back plate number is on the left side at the bottom of the ONE window. (See *Paper Money*, Volume XXXVI, Number 4, July/August 1997, page 121.) This variation is noted in the 31st edition of the *Official 1999 Blackbook Price Guide to United States Paper Money*, on page 88, and in the *Numismatic News* article referenced above. These resources also list this variation as being found on the Series 1981A \$1 Federal Reserve Note. The face and back of the Series 1985 variation are shown in Figures 2 and 3, respectively.

The second note is a Series 1993 Federal Reserve Note \$1, serial number B22734363H, with a front plate number of 1 and a back plate number of 8. The back plate number 8 is located immediately to the right of the motto IN GOD WE TRUST above the ONE on the note's back. Figures 4 and 5 are the face and back of this note, respectively. Note that this note has the characteristics of a "web note." The face plate number is a single number with no position letter, and the location of the back plate number is consistent with a description found in *Numismatic News*. It also falls into one of the two Series 1993 districts that had web notes printed: New York (B) and Philadelphia (C).

Getting into the habit of checking your notes can yield rewards and unusual finds. I continue to check my money as I get it, and I hope I can get lucky and find another variation to slip into my collection. ♦



Spelling Isn't My Long Suit Either

IT WASN'T HARD TO SEE THE WORD "ERROR" scrawled diagonally across all four subjects of the \$5 Series of 1882 A-B-C-D proof for The Peirce City National Bank, Missouri (4225). The proof had been approved March 7, 1890, but later someone had found something wrong with it. My mind quickly revived from the near stupor it was in from sorting many hundreds of similar proofs that day.



THE PAPER COLUMN

by Peter Huntoon

Now alert, I quickly located a proof of the corrected version approved on April 1, 1890. The problem for me was seeing what was wrong. You may be surprised that it took me a little while to see that the "e" and "i" in Peirce had been reversed in all locations, including the script versions next to "Missouri." I am a bit dyslexic, and this is exactly the type of mistake I routinely make also.

More than three weeks had elapsed between the times the error and corrected plates had been approved, so there was a chance an order had been printed and some sheets shipped to the bank. With this possibility as a prod, I got over to the National Archives as quickly as possible to see if, in fact, some of the errors had reached circulation.

The answer lay no further than the receipts ledger maintained by the Comptroller of the Currency's office showing deliveries from the Bureau of Engraving and Printing. The first shipment from the plate was logged in on March 29, 1890, consisting of sheets 1-625, H900978-H901602. Written next to this entry was "Misprinted -- cancelled." Too bad, someone in the Comptroller's office spotted the error.

A duplicate shipment dated April 11, 1890, was penned in with identical bank and treasury sheet serial numbers. Sheets from this corrected printing and subsequent printings were shipped to the bank.

Pair of \$5 Series of 1882 proofs for The Peirce City National Bank, Missouri (4225), showing the misspelled and corrected versions of the \$5 Series of 1882 5-5-5 A-B-C-D plate. None of the errors reached circulation.



At the time, it was standard practice to order duplicates complete with identical serial numbers when clerks in the Comptrollers office found errors. The procedure followed was for the Comptroller to send a letter to the Bureau stating that misprints had been found, identifying the bank, sheet combination, serials, and sometimes the nature of the error, with a request for replacements.

Years ago I found a most interesting example of such a reprint request. It was contained in correspondence received at the Bureau of Engraving and Printing that is now housed in the National Archives. The letter stated that a clerk had found a pair of consecutive sheets wherein the bank sheet serials ran counter to the treasury serials, with the request that the Bureau supply perfect copies. I marveled that anyone would notice such an occurrence. Obviously Bureau personnel had to pull the plate, print two impressions from it on two preprinted backs, and have someone add the seals, charter numbers, and serials.

The best part was that the bank and treasury serial numbers were neatly stamped and deeply embossed on a blank part of the letter. Clearly the person who had to place the serial numbers on the sheet had the letter with him and stamped the numbers on it to be certain they were correct before affixing them to the sheets. It was obvious that for such small orders, they used hand-held numbering stamps similar to those used

to print make-up replacement sheets in the 1929 series. The serial numbers on the letter were the blue numbers found on Series of 1902 Red Seals. I long ago forgot the bank for which those replacements were made.

The replacement order for Peirce City involved 625 sheets. They were numbered and sealed on regular numbering presses.

ACKNOWLEDGMENT

The research leading to this article was partially supported by the National Numismatic Collections, National Museum of American History, Smithsonian Institution, Washington, DC. The assistance of James Hughes, Museum Specialist, is gratefully acknowledged.

SOURCES

Bureau of Engraving and Printing. Certified Proofs of National Bank Note Face Plates. National Numismatic Collections, Smithsonian Institution, Washington, DC., (1875-1929).

Bureau of Engraving and Printing. Copies of Correspondence To and From the Bureau of Engraving and Printing. U. S. National Archives, College Park, MD. (various dates).

Comptroller of the Currency. Ledgers Showing Receipts of National Currency from the Engravers. U. S. National Archives, College Park, MD. (1863-1912). ❖

Your Eyes Aren't Deceiving You

By PETER HUNTOON

YOUR EYES ARE NOT DECEIVING YOU. THE word CASHIER in the A position of this Series of 1902 face plate proof is misspelled CASIHER.

This error was produced when the officers of The First National Bank of Pullman, Washington (4699), submitted an order to have the engraved signatures of F. C. Forrest, President, and H. B. Thompson, Cashier, added to their \$5 Series of 1902 plate. The A-B-C-D plate, which was originally made in 1911 without the misspelling, was altered to accommodate the signatures. Somehow the misspelling occurred in the process.

Just when the error was spotted is unknown. It is likely that it was found when the proof was submitted for approval on December 23, 1926. Evidence to this effect is in the bottom margin of the proof where the words "approved: H. P. Dawson, Assistant Director" are stamped. There are hastily scribbled letters in front of "approved" that are now heavily blotted out. Using a bit of imagination, I can convince myself the letters "dis" are under there.

If so, the plate was corrected, and no errors were printed. No revised proof for the plate exists. The word "altered" is handwritten on the offending subject revealing that the

spelling was in fact corrected, and probably that is when the "dis" in front of "approved" was scratched out.

The first printing from the plate after the signatures were added was sent from the Bureau of Engraving and Printing to the Comptroller of the Currency on January 12, 1927. The first sheet from that printing carried bank serial 2301, and it along with others was sent to the bank by the Comptroller's office on January 20, 1927.

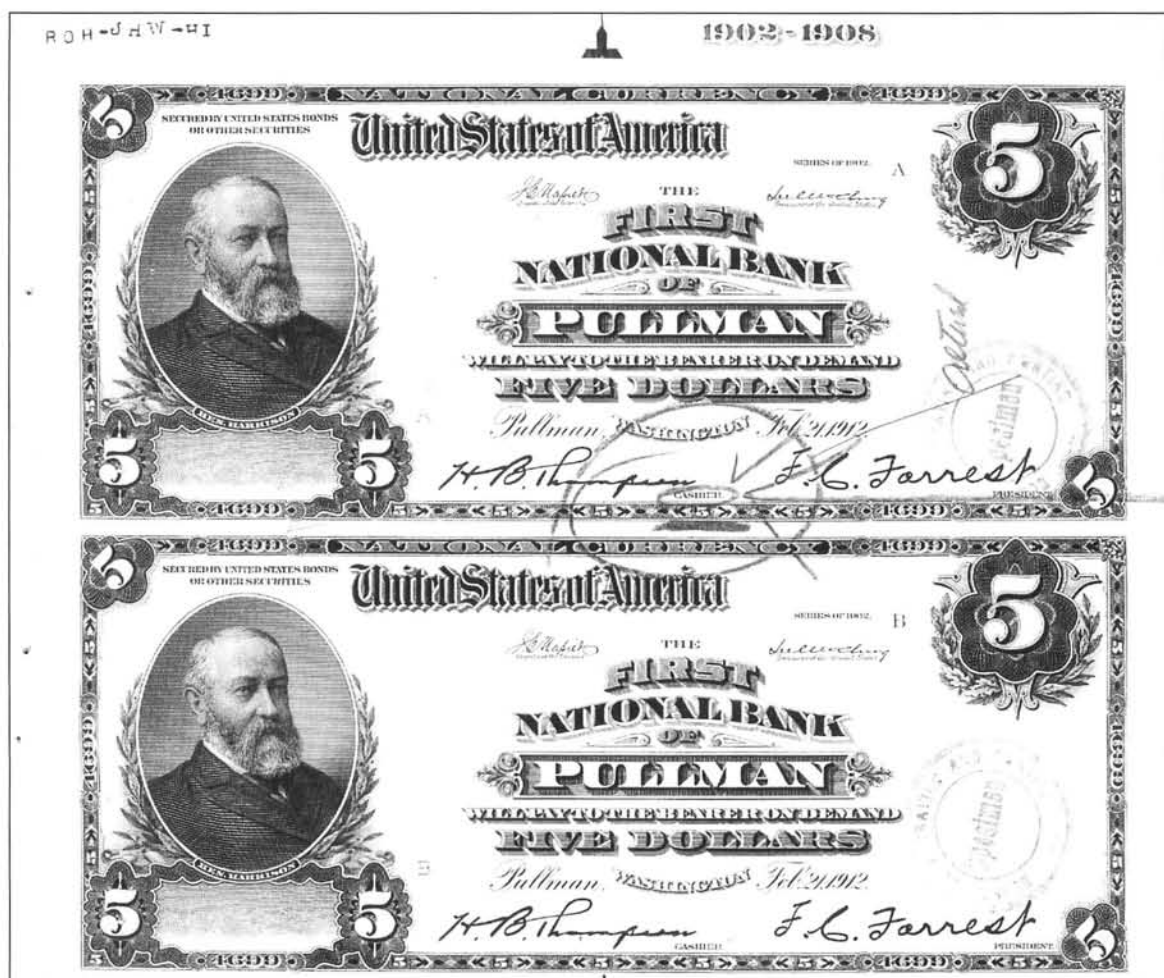
A. L. Stoner replaced H. B. Thompson as Cashier in 1928, and a new plate lettered E-F-G-H bearing the Forrest-Stoner engraved signature combination was prepared. It was approved for use March 3, 1928. The first printing from it was delivered by the Bureau on April 11, 1928, starting with sheet serial 4322. That sheet was sent to the bank on August 17, 1928. The last \$5 Series of 1902 Plain Back sheet sent to the bank was serial 5820 in 1929.

It is doubtful if any of the \$5 A-position Forrest-Thompson Series of 1902 Blue Seal Plain Backs with the misspelling actually appear on the 2021 sheets printed of that type. However, if you have a \$5 note from the bank, it is worth a second look.

This error was spotted by Mark Hotz as we were sorting



Enlargement of the misspelled word "CASIHER" on the \$5 Series of 1902 proof for The First National Bank of Pullman, Washington. It appears that the plate was corrected before any notes bearing the error reached circulation.



Top two notes from the \$5 Series of 1902 proof for The First National Bank of Pullman, Washington (4699), showing that "CASHIER" is misspelled on the A subject. The error was made when engraved signatures were added to the plate in 1926.

the National Bank face plate proofs at the Smithsonian during September, 2000. It is one of the strangest engraving errors we have seen.

ACKNOWLEDGMENT

The research leading to this article was partially supported by the National Numismatic Collections, National Museum of American History, Smithsonian Institution, Washington, DC. The assistance of James Hughes, Museum Specialist, is gratefully acknowledged.

SOURCES

Bureau of Engraving and Printing. Certified Proofs of National Bank Note Face Plates. National Numismatic Collections, Smithsonian Institution, Washington, DC., (1875-1929).

Bureau of Engraving and Printing. Ledgers Showing Deliveries of National Currency to the Comptroller of the Currency: U. S. National Archives, College Park, MD. (1924-1935).

Comptroller of the Currency. National Currency and Bond Ledgers for Individual National Banks. U. S. National Archives, College Park, MD. (1863-1935). ♦

Wanted One Volunteer to serve as Ad Manager for *Paper Money*

This is an important, but not time-consuming position. Successful applicant should be organized, service-oriented, and a strict respecter of deadlines. Computer skills and internet access mandatory. Ad manager will be responsible to send out annual ad renewal billings and follow up with clients. Graphic arts skills helpful, but not mandatory. Good rapport with paper money dealers is VERY helpful. This is NOT a high pressure sales job; however, initiative and good follow through in presenting *Paper Money's* positive sales message to prospective clients is required. Ad Manager will work with the Editor to assure timeliness of ads, payments, and other details as assigned. If you can help your Society and help your Society's Journal continue to meet members' needs, have the time, and the right stuff, contact the Editor now.

The PRESIDENT'S Column

By FRANK CLARK



I AM HAVING TO WRITE THIS MESSAGE TO THE SPMC membership before the International Paper Money show due to publishing deadlines, and I trust that if you were able to attend the 26th IPMS, you did. It was my 19th consecutive Memphis and I have enjoyed them all. The pursuit of notes and other paper collectibles is such a great hobby, and Memphis brings out the hobby's traits -- camaraderie, knowledge and being at the center of the syngraphic universe for this spectacular weekend! Mike Crabb and the Memphis Coin Club work really hard to have this show run smoothly, and it does every year.

I have added many great notes to my collection at these shows and have met many other fellow collectors. Also, I have gained substantial knowledge from attending the IPMS. So, if you did not attend this year, please start planning to attend the 27th annual show in 2003. The bourse is always exiting, and the exhibits are fantastic. Other functions that are a must to attend are the great auctions, the SPMC Breakfast and Tom Bain Raffle, the club meetings on Saturday and of course the Memphis restaurants.

This year our Memphis meeting was a joint meeting with the Paper Money Collectors of Michigan to hear Chet Krause and Clifford Mishler talk on "50 Years of Collecting and Communicating." I even have a hard time sleeping at the Memphis show because of all of the excitement and often late at night you will find me roaming the lobby and mezzanine areas of the hotel to find other paper money insomniacs to talk to, or to show them recent acquisitions and discuss the hobby. What a wonderful time!

Now, I would like to urge all SPMC members to take advantage of our "Research Exchange" column. If you need help in research, somebody else in SPMC may be able to help you. Recently, I wanted to know the relationship between Ezra Hershey who signed notes as the President of the Hershey National Bank of Hershey, PA and Milton S. Hershey founder of Hershey Chocolate Corp. Bob Cochran and Karl Kabelac were able to answer my questions. I hope to use this info for a future article. Thank you Bob and Karl! We also have a few other benefits I would like to point out. We have our "Money Mart" column for your classified ads. Please take advantage of this.

We also have the *Comprehensive Paper Money Index* from 1962-1999. This belongs in everybody's library. SPMC also has a new librarian, Bob Schreiner and he is getting the library shipped to his home. The library will be greatly expanded and updated. Look for news of this in *Paper Money*, and when our library is ready, please use it. The only cost for being loaned a book is to pay postage both ways. Also, give your note collecting business to the dealers who advertise within *Paper Money*. It is because of these advertisers that our dues have remained at \$24.00 for so long. Finally, start the summer season off by recruiting a new member to SPMC. A formal application is not necessary. If you have a friend who collects paper, ask him/her to join. Remember, recruitment is the lifeblood of any organization.

Frank

\$ money mart

PAPER MONEY will accept classified advertising on a basis of 15¢ per word (minimum charge of \$3.75). Ad must be non-commercial in nature.

Word count: Name and address count as five words. All other words and abbreviations, figure combinations and initials count as separate words. No check copies. 10% discount for four or more insertions of the same copy.

Authors are also offered a free three-line classified ad in recognition of their contribution to the Society. These ads are denoted by (A) and are run on a space available basis.

SOVIET SPECIAL PRIVILEGE MONEY, also all short snorters wanted. Contact Richard Giedroyc, P.O. Box 4154, Sidney, OH 45365-4154 or by e-mail at Giedroyc@Bright.net (A)

HELP ME TURN UP THESE NOTES. NB of Commerce of Dallas #3985 (\$5, \$10 T2), and North Texas NB in Dallas #12736 (\$10, \$20 T1). Frank Clark, POB 117060, Carrollton, TX 75011-7060 (A)

CANDOR NY WANTED. Looking for FNB of Candor NY #353 note from the first sheet (\$5 T2 serial number 1-6). Al Kaminsky, 7461 Brighthouse Court, Alexandria VA 22315-3835 (223)

WANTED THOMASTON NATIONAL BANK #3964. Any Condition. Send photocopy and price asked. Bill Loneragan, 3054 N. Peoria Ave., Simi Valley, CA 93063. (220)

20th CENTURY U.S., articles relating to modern small size U.S. currency are especially needed for publication in *Paper Money*. If you collect this material, try your hand at authoring an article too! (A)

EXPAND YOUR COLLECTION. Classified ad rates are low, low, low. Send ad copy and check payable to SPMC to the Editor, PO Box 793941, Dallas, Texas 75379-3941 (A)

AUTHORS WANTED. Expand your resumé; impress your friends; win a cash award. Send your best articles to *PM* Editor today! (A)

Comprehensive Paper Money Index

By George Tremmel

Now For Sale

Includes complete listing to all issues
of the SPMC journal *Paper Money*
1962-1999

- 130-page Hard Copy only \$12 •
 - Hard Copy & Floppy Disk only \$13 •
- (searchable)

Make checks payable to SPMC
Mail to: Robert Schreiner
POB 2331
Chapel Hill, NC 27515-2331

Checks, Stocks & Bonds!

Revenue Stamps & Imprints

Bank Notes & Depression Scrip



Now Selling on Ebay!

Ebay Seller ID: opme@teleport.com

For Oregon Pioneer Albums & Mylar Sleeves, see:

www.oregon-pioneer.com

Oregon Paper Money Exchange

6802 SW 33rd Place

Portland, OR 97219

503-245-3659 Fax 503-244-2977

Email: opme@teleport.com

WORLD PAPER MONEY

specialized in Poland, Russia & E.Europe



ATS notes

Free Price List

www.atsnotes.com

ats@atsnotes.com

Tom Sluszkiewicz

P.O.Box 54521, Middlegate Postal
BURNABY, B.C., CANADA, V5E 4J6

STOCKS & BONDS

MONTHLY MAIL
BID SALES

RR's, Mining, Banking, etc. etc.

Something For Everyone

FREE LISTING

RICHARD T. HOOBER, JR.

P.O. Box 7917, North Port, FL 34287

Phone or Fax (941) 426-2620

WANTED

COLONIAL/CONTINENTAL BANKNOTES

Any Quantity, Any Condition.

Ship in confidence to:

Steve Pomex

(Member ANA, SPMC, IBNS)

PO Box 2, Ridgfield Park, NJ - 07660

Tel: 201-641-6641 / Fax: 201-641-1700

Email: Steve@Pomexport.com

United States Paper Money

--special selections for discriminating collectors--

Buying and Selling

the finest in U.S. paper money

Individual Rarities: Large, Small National

Serial Number One Notes

Large Size Type

Error Notes

Small Size Type

National Currency

Star or Replacement Notes

Specimens, Proofs, Experimentals

Frederick J. Bart

Bart, Inc.

(586) 979-3400

PO Box 2 • Roseville, MI 48066

E-mail: BartIncCor@aol.com

DO YOU COLLECT FISCAL PAPER?

The American Society of Check Collectors publishes a quarterly journal for members.

Visit our website at

http://members.aol.com/asccinfo or write to
Coleman Leifer, POB 577, Garrett Park, MD 20896.

Dues are \$10 per year for US residents,
\$12 for Canadian and Mexican residents,
and \$18 for those in foreign locations.

NEW MEMBERS

MEMBERSHIP DIRECTOR

Frank Clark
P.O. Box 117060
Carrollton, TX 75011

SPMC NEW MEMBERS - 04/08/2002

- 10443 **Arthur Anderson** (C, Hawaiian Notes), Q. David Bowers
10444 **Ron Good** (C), Q. David Bowers
10445 **Ergen Evangelos**, Karyotaki 2, Nea Paralia, Thessaloniki 54645 Greece (C & D, Greek Paper Money), Website
10446 **Lloyd Williams** (C), Tom Denly
10447 **Louis Riley**, 18566 Pueblo Circle, Huntington Beach, CA 92646 (C, Older Currency), Website
10448 **Michael B. Fogarty** (C), Website
10449 **Bob McDonald**, 411 E. Market Apt 104-B, Iowa City, IA 52245 (C, US Small & Latin America), Website
10450 **R. Todd Clancy** (C), Website
10451 **Timothy D. Hernly** (C) Frank Clark
10452 **Martin Roenigk** (C), Website
10453 **Robert W. Bauswell**, 1021 Ave G, Fort Madison, Iowa, 52627 (C, Confederate, Russian, German East Africa), Website
10454 **Joseph M. Barrett**, c/o Main Street Coin, 233 Main St, Hamilton, OH 45013 (C & D), Website
10455 **James K. Dickinson** (C), Tom Minerley
10456 **Elaine Heider** (C), Tom Denly
10457 **Charles Mead** (C), Frank Clark

SPMC NEW MEMBERS - 05/14/2002

- 10458 **Scott Rynd** (C, Large Size Notes), Tom Denly

- 10459 **Larry Till** (C), Tom Denly
10460 **Gary Parietti**, Box 42, Bedford Hills, NY 10507-0042 (D, Nationals & Type), Website
10461 **Robert E. Pletta**, PO Box 480, Friendsville, MD 21531-0480 (C & D, Tyvek & Polymer Notes), Website
10462 **Michael Mellott** (C), Frank Clark
10463 **M. David Sherrill**, 260 Breezy Way, Lawrence, NY 11559 (C, U.S. Paper Money), Website
10464 **Richard Sutherland**, 306 - 2277 McGill St, Vancouver BC V5L1C3 Canada (C & D, African States, Venezuela), Website
10465 **Anthony R. Johnson**, 6408 Burns St #202, Austin, Texas 78752 (C, Confederate), Website
10466 **Mark Schwartz** (C), Frank Viskup
10467 **Robert Wayne Weaver**, PO Box 213, Cedar Hill TN 37032 (C & D, U.S. Large), Website
10468 **Kathy Lawrence** (C), Frank Clark
10469 **William F. (Bill) Green**, PO Box 1478, Lebanon, VA 24280 (C & D, All, U.S. Large), Tom Denly

LIFE MEMBERSHIP

- LM330 **Lewis P. Dufault**
LM337 **Mark B. Anderson** (formerly 7300)

REINSTATEMENT

- 9655 **James A. Fitzgerald** (C)

SPMC NEW MEMBERS - 05/31/2002

- 10470 **Dennis Johansen** (C, Confederate), Tom Denly
10471 **Greg Culpepper** (C, TN Nationals), Tom Denly
10472 **Benjamin Creelman**, 564 Williams Crossing Rd, Coventry, RI 02816 (C & D, Fractional, Confederate, U.S. Large), Tom Denly
10473 **Murray Rubin** (C), Tom Minerley
10474 **Doug Zavodny** (C, Nationals), Frank Clark
10475 **Donn Lovell** (C, U.S. 1899 - Present), Tom Denly
10476 **Vasco McCoy Jr.** (C, Obsoletes & World), Website

Letter to the Editor

Mrs. Brent Hughes thanks SPMC for remembering her late husband

Dear Mr. Reed,

Thank you for the beautiful and meaningful tribute to my husband, Brent Hughes.

The May/June issue of *Paper Money* is the best way you could have chosen to memorialize his life. His favorite hobby and pastime was studying and

writing about paper money and the Confederacy.

My family and I are very happy and pleased to have this issue. You were so generous to send all those copies. I have sent copies to a few favorite special friends. Thank you!

Our son, Richard, and I are in the process of trying to find the articles Brent promised you. I know he worked on them shortly after the surgery. His illness progressed more quickly than we or the doctors expected.

Please accept my sincere gratitude for making this memorial possible. I know Brent would be as pleased about it as am I.

Sincerely,

Virginia Hughes

VISIT MY WEB PAGE AT

WWW.KYZIVATCURRENCY.COM

**FOR A GOOD SELECTION OF NOTES
CONSERVATIVELY GRADED AND
REASONABLY PRICED FOR THE COLLECTOR**

NATIONAL BANK NOTES

LARGE SIZE TYPE

SMALL SIZE TYPE

STAR NOTES

WEBS

MISCELLANEOUS??

**TIM KYZIVAT
(708) 784-0974**



PCDA, SPMC



Always Wanted

Monmouth County, New Jersey
Obsoletes – Nationals – Scrip
Histories and Memorabilia

*Allenhurst – Allentown – Asbury Park – Atlantic Highlands – Belmar
Bradley Beach – Eatontown – Englishtown – Freehold – Howell
Keansburg – Keyport – Long Branch – Manasquan – Matawan
Middletown – Ocean Grove – Red Bank – Sea Bright – Spring Lake*

N.B. Buckman

P.O. Box 608, Ocean Grove, NJ 07756
800-533-6163 Fax: 732-282-2525

New Hampshire Notes

**Wanted: Obsolete currency,
National Bank notes,
other items relating
to New Hampshire paper money
from the earliest days onward.**

Dave Bowers

Box 1224
Wolfeboro, NH 03894
E-mail: barndoor@bowersandmerena.com

Buying & Selling Quality Collector Currency

- Colonial & Continental Currency
 - Fractional Currency
- Confederate & Southern States Currency
 - Confederate Bonds
- Large Size & Small Size Currency

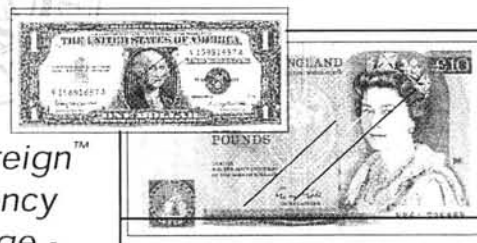
**Always BUYING All of the Above
Call or Ship for Best Offer**

Free Pricelist Available Upon Request

James Polis

4501 Connecticut Avenue NW Suite 306
Washington, DC 20008
(202) 363-6650
Fax: (202) 363-4712
E-mail: Jpolis7935@aol.com
Member: SPMC, FCCB, ANA

SOVEREIGN™ MYLAR SLEEVES & ENVELOPES



**Sovereign™
Currency
Storage -**

Just one of the categories in the Archivalware
Catalog. 40 full color pages of Archival Collectibles



Storage and Exhibition
products. Send for your
free copy & receive sam-
ples of our 4 mil Mylar
Currency Envelopes.

**Request your free
Catalog**

Tel: 1.800.628.1912

Fax: 1.800.532.9281

E-mail: info@universityproducts.com

A \$10 Blue Seal North Africa SC

By Dave Schlingman

RECENTLY I ACQUIRED A 1934A \$10 Blue Seal Silver Certificate. The note has a high A-A block serial number which caught my eye. The serial number is A 99495863A with a face check of K142 and a back check number 847. Upon research, I learned that the \$10 1934A Blue Seal run is A 7476XXXX A through A 91044000 A, and is followed by the first North Africa Yellow Seal run of A 91044001 A through B 00904000A.

This note raises a question because the note is a Blue Seal falling in the middle of the Yellow Seal run. We can posit two possible answers to this question:

- There is a possible unrecorded short Blue Seal run in the middle of the reported Yellow Seal run; or
- This is a Yellow Seal note that has been changed to a Blue Seal.

I took the note to FUN 2001 in Orlando, FL and had my compatriots John Schwartz, David Koble, Jim Hodgson and Peter Huntoon examine the note. They generally agree that the note is a Yellow Seal that has been changed to a Blue Seal. I also agree with this opinion.

The seal does not display any green color (a mix of yellow and blue) and in fact is a very deep blue color. Upon close examination of the note, it appears some form of chemical was used to remove the Yellow Seal and a replacement Blue Seal was applied. This manifests itself in the TEN at the Seal location which appears to have a circular faded area slightly larger than the seal itself, and a small portion of the bottom of the first "9" in the serial number which is faded.



All of the parties involved in the examination of this note have heard the story of North Africa Yellow Seals being changed to Blue Seals fearing the

demonetization of this currency at the end of World War II. I would appreciate any reader input amplifying this information.

If this is a seal color change, the work involved was extensive: i.e. How was the yellow removed? How is a perfect Blue Seal acquired? Why go to all the work to recolor a \$10 bill?

Finally, I would be interested in any information about other notes that fall in the North Africa Yellow Seal range that have Blue Seals. This may provide more data showing how extensive this practice was.

You can write to me at 1934 Royal Pass Rd., Tampa, FL 33602 or schlingo@peoplepc.com ❖

New Gordon Harris Work Details New York State Scrip

LONGTIME SPMC MEMBER GORDON L. Harris (#1449 in 1964) has provided a much needed and valuable contribution to obsolete note collecting with *New York State Scrip and Private Issues*. Harris' self-published 200+ page catalog is the first to detail this prosperous and populous state since Wisner lists published many years ago in *The Numismatist*.

Harris' book is profusely illustrated with 800 excellent photographs. The work lists more than 1,300 issues from 460 cities, towns and hamlets in the Empire State.

A collector and student of this material for more than 30 years, the

author not only draws upon his extensive experience, but was assisted by dozens of collectors and dealers in compiling his research. Rarities, values, issue dates, printers' imprints, cross-references, signature combinations and some historical information are provided for all listings.

Coverage spans Colonial days, War of 1812 issues, Hard Times scrip, through the Civil War era. The book is destined to be the definitive work on its subject and a "must have" for collectors of these notes.

Single copies of the work are priced at \$38.95 (plus sales tax if applicable). Write for quantity discounts. Harris may be reached at 5818 S. Terry Rd., Syracuse, NY 13219. -- Fred Reed ❖



Reflections on Reading *Paper Money*

By John Gavel

AFTER I RECENTLY RE-READ *PAPER MONEY* Issue No. 214 (July/August 2001), I thought about Fred Reed's request for short, concise articles. After all, it was the last thing I read and the most recent thing on my mind. Why not? I had a head full of thoughts having just read the issue and maybe one of them might be interesting. What was it I had read before the *Editor's Notebook* that had stirred a memory? Oh, yes it was Ronald Horstman's comment "we will never know" in reference to why a cashier's check had been put away for 25 years and why after that amount of time it was cashed in his article "A Singular Specimen" on page 267.

Recently my 26-year-old son brought me a five dollar bill. It was a United States Note, Series 1953A, that he had gotten as change from a drive through window of a fast food restaurant. My wife and I would be celebrating our 32nd wedding anniversary in a week and I remember her reaction when I'd spot a Red Seal or a Blue Seal note and explain that I had to put it away because we won't see them anymore. While we went to small size currency in 1928, a five dollar bill was big money in the sixties when a gallon of gas cost a quarter. Grudgingly she would let me put the United States Note or Silver Certificate away for my future enjoyment.

Well, I haven't seen one in circulation for at least 30 years which is close to "anymore." Mr. Horstman observed that a check issued in 1907 might surface in 1933 because it was the great depression and a person might have really needed a dollar that was big money back then. Were we in the Financial Crisis of 2001? I don't think so, so how did this Red Seal get back into circulation and how many hands has it passed through before being put away again. Considering its condition and the wear out rate for paper money, it has been out in the world for months as opposed to years. But that's the most we can say for it!

As a collector of New Jersey obsoletes I really enjoyed David Gladfelter's article on page 241. I had not thought about which banks had been first and last to issue notes and what the survivors were. I had thought about the banks listed in Wait's book on New Jersey bank notes. Why did what I thought of as small towns have banks large enough to issue notes? Conversely, why were there so few banks in what I thought of as major cities? The first might be answered by the fact that banks of that era often had a life span of a few years, but what about the second? Was it because the big city banks were more stable and starting a new bank was just too hard?

While we see more local historical societies today, often the past has been so cleaned away to make room for the future that little remains to show that it ever was there. Wouldn't it be great if "money talks" was more than a catch phrase? Paper

money can tell us a lot about itself such as the issuer, the significance of the design, even how it could be redeemed and what it could be used for (think about National Bank Notes, for example). But if we could trace where it went from the printing press to its final resting place think of the story it might tell.

George Tremmel's article on page 235 on the Female Riding Deer does this in a different manner. He looks at the parentage of a note by first considering the possible father, siblings and the child in question. Once again, paper money has a story to tell. Really great articles are the norm in *Paper Money* and perhaps that is the reason why the average reader might hesitate to submit something.

Shortly before, I had watched an episode of *Superman* made in 1951 where Superman retrieves an old coat into which a man had sewed \$5,000 dollars into the lining. His grandson had given it to a disaster relief drive not knowing that his grandpa didn't trust banks. Well, the money turned out to be Confederate and "worthless." However, the publicity resulted in a bank contacting the old man about a deposit his father had made that was now worth \$5,000, allowing the grandson to become a doctor like his grandpa wanted him to do.

I would note that I have a 1959 edition of Arlie

Slabough's Confederate States Paper Money that I bought when I was 12 years old. It quotes prices like \$1.35 for the 1864 \$10 and \$16 for \$500 notes in Uncirculated condition. The subject of Mr. Tremmel's article, Female Riding Deer, is



priced at \$5 in Uncirculated. However, some notes like the \$5 Negroes Loading Cotton on steamboat and the \$10 Liberty, Blank Shield and Eagle issued September 2, 1861, engraved by Hoyer and Ludwig, are priced at \$350 and \$250 in Fine condition. Even in fair condition they went for \$50 and \$35, so Confederate money back then was not necessarily worthless if you had \$5,000 worth of these notes.

When they cut open the coat a bunch of new looking bills spilled out, which would lead me to believe that they were more likely the 1864 \$10 Field Artillery notes. But even so 500 of them at \$1.35 each would still be "big money" then.

This gets me to my last thought. Ours is a Society of Paper Money Collectors, not Paper Money Investors. Those Red Seal and Blue Seal notes have increased in value. In 30 years they are worth twice their face value. Not a good investment? No, certainly not. But how much is it worth to me? How much pleasure do I get from my collection? When you and I read *Paper Money* we don't find articles on what's hot and what's not. We find history, mystery and enjoyment in a hobby that is enriching in more than monetary terms! ♦



Border of the then current Federal Reserve Note, in banknote green, used by U.S. Department of Agriculture to publicize direct deposit.

An Ag Department Ad Note

BY FORREST W. DANIEL

THE USE OF SIMULATIONS OF CURRENCY for advertising purposes is a very effective method for calling attention to one's product or service. It has been thus for many years. In recent years the United States Department of Agriculture used the then current border design of the one-dollar Federal Reserve Note to call attention to its drive to have subsidy payments to farmers made directly into their bank accounts.

This use of a currency design was part of a mailing by the Farm Service Agency (formerly the Agricultural Stabilization and Conservation Service) to farmers taking part in various federal agricultural programs.

Direct deposit of funds by electronic methods into individual bank accounts provides substantial savings to the government by eliminating the need to process and mail individual checks to many thousands of recipients.

Not all the best laid plans of mice and men go awry . . . but surely some of them do.

After the direct deposit plan went into effect, I received notice that a subsidy payment had been made into my account at a bank in Jamestown, North Dakota. Unfortunately, I had no account in Jamestown. A telephone call was made to the Farm Service Agency, which said my records indicated the payment was to be made to Bismarck so I should check with the bank there.

When I contacted that bank, I found that the deposit had been made in the proper bank, after all, so all was well.

But what about next time? Or the one following that? How did the wrong town get listed on the notice of payment? Has the same error any chance of completely losing a payment by misdirection?

It will pay to keep a close eye on all electronic payments. Don't you agree? ♦

Back of the direct deposit reminder printed in black ink.

This check could have been deposited days ago.

The money could be available to you right now.

Get your next payment Direct Deposited.

Ask about it at your Farm Service Agency Office.



BUYING AND SELLING PAPER MONEY

U.S., All types

Thousands of Nationals, Large and Small, Silver Certificates, U.S. Notes, Gold Certificates, Treasury Notes, Federal Reserve Notes, Fractional, Continental, Colonial, Obsoletes, Depression Scrip, Checks, Stocks, etc.

Foreign Notes from over 250 Countries
Paper Money Books and Supplies
Send us your Want List . . . or . . .
Ship your material for a fair offer

LOWELL C. HORWEDEL

P.O. BOX 2395
WEST LAFAYETTE, IN 47996

SPMC #2907 (765) 583-2748 ANA LM #1503
Fax: (765) 583-4584 e-mail: lhorwedel@insightbb.com
website: horwedelscurrency.com

Nobody pays more than Huntoon for
ARIZONA & WYOMING
state and territorial Nationals
Peter Huntoon



P.O. Box 60850
Boulder City, NV 89006
702-294-4143

Buying & Selling

All Choice to Gem CU Fractional Currency

Paying Over Bid

Please Call:

916-687-7219

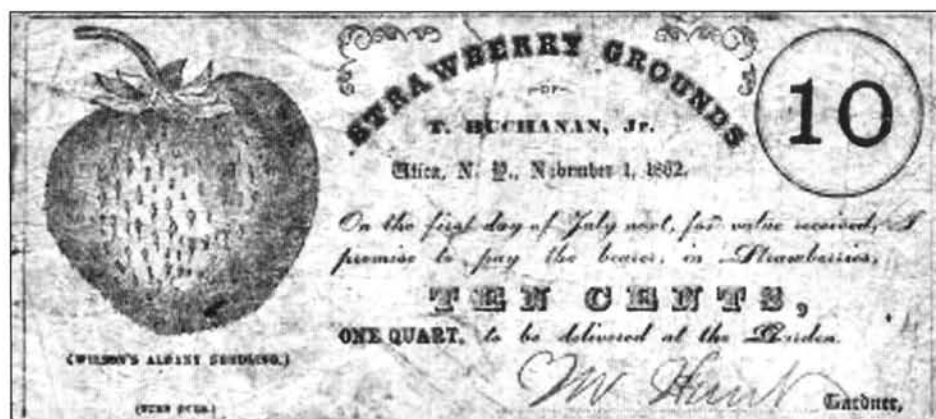
ROB'S COINS & CURRENCY

P.O. Box 303
Wilton, CA 95693

Two Varieties of Strawberry Grounds Scrip

By Bob Schreiner

THE CIVIL WAR ERA WAS ONE OF AN ABUNDANCE OF SCRIP notes, often with promises to pay in commodities. A particularly unusual note was issued by T. Buchanan, Jr. at his Strawberry Grounds, Utica, New York.



Variety 1: Figures 1 and 2

presenting the same, in sums of One Dollar and upwards, to T. BUCHANAN, Jr., 167 Genesee Street, Utica, N.Y."

The second variety is shown in Figures 3 and 4. The strawberry variety is replaced "PAID BY T. BUCHANAN JR. AT THE SAVINGS BANK." Hunt's name is now printed and the spelling is Gardener. Furthermore, the note is overprinted by "Security Deposited with ONEIDA BANK." The back text is the same except for the last sentence, which reads: "To guard against the contingency of a failure of the Strawberry crop, this and similar Notes, may at any time be converted to Current Bank

The note, with denomination of ten cents and good for one quart of strawberries, exists in at least two varieties, both dated November 1, 1862. The front of both varieties has the same central text: "On the first day of July next, for value received, I promise to pay the bearer, in Strawberries, TEN CENTS, ONE QUART, to be delivered at the Garden."

Variety one, shown in Figures 1 and 2, is signed by M. Hunt, Gardner [sic], and indicates on the left what is apparently the strawberry variety, Wilson's Albany Seeding. The back of the note bears the text: "This note is issued for the purpose of selling Strawberries. It enables the purchaser to save twenty-five percent. by paying for them in advance. The price heretofore has been twelve and one half cents per quart. This secures to the holder one quart for ten cents. To guard against the contingency of a failure of the Strawberry crop, this and similar Notes, may at any time be converted to Current Bank Bills, by

Bills, by presenting the same, in sums of *one or more Dollars, to the subscriber, at the SAVINGS BANK, 167 Genesee Street, Utica, N.Y.*" The italics are added to indicate the difference in the two texts, in addition to the owner's signature on variety two. Note that the address for Savings Bank on the second variety and that for T. Buchanan, Jr. on the first variety are the same.

Neil Shafer featured note variety two in his "Note of the Month" column in the April, 2000, issue of the *Bank Note Reporter*. He wondered why the note was backed by both the Savings Bank and the Oneida Bank, an apparent redundancy. Comparing the varieties, we can propose an explanation. Even though both notes bear the same date, we might speculate that variety one was issued first. Perhaps it wasn't well received because people feared that a failure of the strawberry crop, a contingency noted by the issuer, could render the business insolvent, and redemption in strawberries or current bank bills at Strawberry Grounds unlikely. Realizing this, Buchanan may have bolstered the backing for the note by issuing variety two, which promises to redeem the note, in sums of a dollar or more, at the Savings Bank. But the Savings Bank has the same address as Strawberry Grounds, suggesting that Buchanan owned both businesses. Public faith in the Savings Bank, owned by a man who acknowledged the possibility and danger of a failed crop, might be lacking. This could account for the additional backing by the Oneida Bank. Lastly, variety two is signed by Buchanan, the apparent owner, instead of the gardener's signature featured in the first variety.

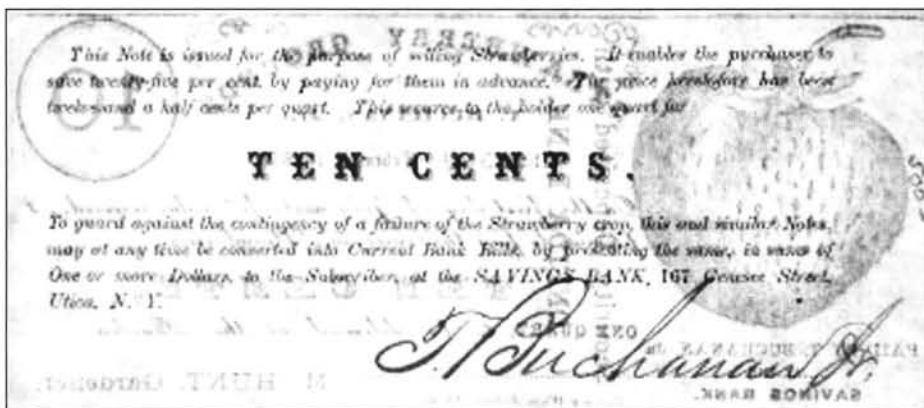
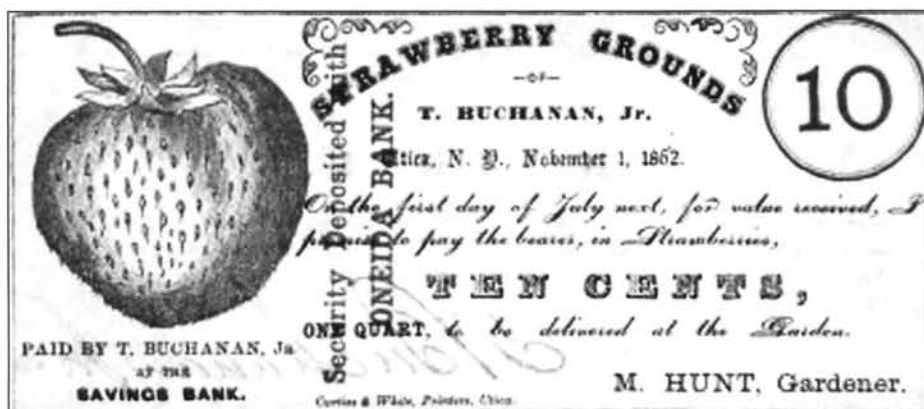
Haxby, in his *Standard Catalog of United States Obsolete Bank Notes, 1782-1866*, lists the Oneida Bank (NY-2795) in Utica, as active in 1862, but he lists no Savings Bank. This further suggests that Savings Bank was a less formal bank, perhaps part of Strawberry Grounds. There are other differences. Variety two is printed in blue text, except for the strawberry, the 10 counter, and the Oneida Bank overprint, which are in red. Variety one is much plainer, with all grayish purple text and strawberry. The signatures on both notes are in similar brown ink. Variety two also has

the imprint Curtiss & White, Printers, Utica. Both varieties of the Strawberry Grounds note came from paper money dealer Claud Murphy. I acquired the variety one example from him, which he had just acquired at the Chicago Paper Money Exposition in February, 2000. The variety two example, in much higher grade, is part of his own collection, and he never compared them side-by-side. Shafer saw the well-worn variety one example in Murphy's case in Chicago, and wanted to feature it in his column. Murphy sent him a copy of his much better condition variety two note, and this is what he published. When I saw Shafer's column, I compared it to my example, and only then were the differences apparent.

Thanks to Neil Shafer and Claud Murphy for contributions to this article. The article with color pictures is at <http://www.unc.edu/~rcs/strawberry/>

References

- Haxby, James A., *Standard Catalog of United States Obsolete Bank Notes, 1782-1866*. Krause Publications (1988).
 Shafer, Neil. "Note of the Month," *Bank Note Reporter* (April, 2000).



Variety 2: Figures 3 and 4

Research Exchange: a service for SPMC members

- **Roger B. Taney.** I need, if there is one available, a photograph of a note with Justice Roger B. Taney. No one I have asked can even confirm his being portrayed on PM. There are two or so still unidentified portraits on Maryland PM that do not look too much like him, but you never know. Actually, his portrait on currency from any state will do. I also need a good quality picture of dueling pistols. Contact johnnybanknote@webtv.net or C. John Ferreri, PO Box 33, Storrs, CT 06268
- **Can anyone explain?** Mrs. E. F. Sell was president of the FNB of Fairfax MN from 1915 to 1952. But the three Series 1929 notes on the bank that I know about all have Albert G. Briesse's signature as president. (He was the vice president.) Does anyone know why? Does anyone know of a Series 1902 or Series 1929 note with her signature? Karl S. Kabelac, 105 Raleigh Street, Rochester, NY 14620-4121 or karl@rochester.rr.com
- **Movie Prop Money,** also TV/Stage/Advertising Prop Money. Cataloger seeks information and illustrations of all types of theatrical prop paper money, checks, bonds, stock certificates, etc. Contact Fred Reed, PO Box 118162, Carrollton, TX 75011-8160 or freed3@airmail.net
- **Waterman Lilly Ormsby.** For a future article in *Paper Money*, I am looking for a photograph or other illustration of 19th century bank note engraving genius Waterman L. Ormsby. Contact Robert McCabe, c/o Toxicology, 5426 NW 79th Avenue, Miami, FL 33166 or fred@spmc.org
- **New York Obsolete Bank Notes (1784-1865).** Researcher requesting info for SPMC state catalog on banking details for NY obsolete notes. All information welcome. At the moment, I am interested in any notes from "The Woodstock and Saugerties General Manufacturing Co." at Saugerties. I am looking for information when the bank opened and for how long, who the President and Cashier were, year of issue of notes, capital at founding, etc. Will gladly reimburse cost and postage of material received. Contact jglynn@zoom.co.uk or John Glynn, 41 St. Agnells Lane, Hemel Hempstead, Herts HP2 7ax, England
- **Macerated Money.** Wanted any information that would help in publishing a book on items made between 1874-1940 out of chopped up U.S. currency. Who made the products, where sold, etc.? Any help appreciated. Contact Bertram M. Cohen, 169 Marlborough St., Boston, MA 02116-1830 or marblebert@aol.com
- **Eastman College Currency.** Authors jointly revising current catalog of Eastman notes. New listing to appear in *Paper Money* and subsequently as a separate pamphlet. Wanted xeroxes of unlisted notes, or census data of your holdings. Contributors will be acknowledged or kept confidential, as you desire. Contact Fred Reed, P.O. Box 118162, Carrollton, TX 75011-8162 or Austin Sheheen, P.O. Box 428, Camden, SC 29020
- **New York County** and town Civil War bounty bonds information wanted. Also information on railroad and turnpike bonds and financing. Contact donfarr@prodigy.net or Don Farr, 19701 SW 110th Ct #837, Miami, FL 33157.
- **FNB of Groton, NY (Charter #1083).** Wanted illustrations for article in *Paper Money*. Contact Karl S. Kabelac, 105 Raleigh St. Rochester, NY 14620-4121 or kkabela1@rochester.rr.com
- **Delaware Obsolete Notes and Scrip.** SPMC state catalog researcher seeks information on existing notes, including serial and plate numbers. Records of other Delaware material such as old lottery tickets, vignettes, Colonials and National Currency are also being kept for population statistics. Will gladly pay copying costs and postage for pictures of your Delaware material. Contacts confidential. Contact napknrg@dmv.com or Terry A. Bryan, 189 South Fairfield Drive, Dover, DE 19901-5756
- **Abraham Lincoln Research.** Author preparing book length study of Abraham Lincoln's image on federal currency, national currency, bank notes, scrip, checks, stocks, bonds and other financial instruments. Desire photocopies of vignettes or unusual uses of the Lincoln image on this material. Contact Fred Reed, P.O. Box 118162, Carrollton, TX 75011 or freed3@airmail.net ❖

The Editor's Notebook

Fred L. Reed III



fred@spmc.org

In Praise of the "Small" Story

MANY OF US PRIDE OURSELVES ON being "Big Picture" guys. You know the type. We can clearly see EVERYTHING about a situation. We "Big Picture" guys think we are very valuable -- we leave the "details" to lesser mortals. A "Big Picture" project might involve solving the riddle of cancer, going to Mars and returning safely, running General Motors, or writing a book. There are surely lots of details involved in each.

In *Paper Money*, we often publish "Big Picture" stories, really comprehensive, involved, wonderfully researched and crafted articles which are seminal for the topics covered. We like to think we are the best vehicle for the "best of the best" this hobby has to tell. As a research journal, this publication is second to none in our hobby. Our increased page counts offer unprecedented opportunities to authors to share life-long projects. But such articles are built up of a myriad of details. From whence come such minutia?

Well, each of us "Big Picture" guys could do EVERYTHING ourselves. But I'd like to offer up a large measure of praise for the "small" story, a component building block of these blockbuster "Big Picture" vehicles. These "small" but important contributions to our knowledge and enjoyment may be single observations, the passing along of small but noted details, even the retelling of a single unrecorded fact. By happy coincidence, this issue contains several such "small" gems, articles which some editors regard as "filler" to surround their "big ticket" items.

Rest assured this Editor is not one of their number. I regard such articles as bright little gems. Even the Crown Jewels have brilliant smaller stones among their major treasures. At the beginning of SPMC, small stories were the staple fare of this publication. If you want to spend an enjoyable afternoon, sample those tidbits in early issues of *PM*. Those small articles have stood the test of time well. They are as refreshing and interesting today as they were when published decades ago. Over time I have repeatedly requested such "small" stories, and am proud to have the opportunity to present several of them in this issue. All are on topic, interesting, and unpretentious. In short they inform, edify and entertain. What more could one want?

Such "small" stories may be building blocks for future larger features, or building blocks of budding numismatic writing careers. No experience is necessary, just a little effort on your part. I'll do the rest. ❖

HARRY IS BUYING

NATIONALS — LARGE
AND SMALL
UNCUT SHEETS

TYPE NOTES

UNUSUAL SERIAL NUMBERS

OBSOLETES

ERRORS

HARRY E. JONES

PO Box 30369
Cleveland, Ohio 44130
1-440-234-3330



I COLLECT

**MINNESOTA OBSOLETE CURRENCY
and NATIONAL BANK NOTES**

Please offer what you have for sale.

Charles C. Parrish

P.O. Box 481

Rosemount, Minnesota 55068

(651) 423-1039

SPMC LM 114—PCDA—LM ANA Since 1976



It makes sense

If your name doesn't appear below, you are
not advertising

Your notes in *Paper Money*

If so,

You are missing sales

Fact: *Paper Money* Readers

Have cash & Want notes
for their collections

1 + 1 = \$\$\$\$\$\$ in your pocket

Advertise your notes in *Paper Money*

AD INDEX

AMERICAN SOCIETY OF CHECK COLLECTORS ...	245
BART, FREDERICK J.	245
BENICE, RON	215
BOWERS & MERENA GALLERIES	IBC
BOWERS, Q. DAVID.....	227
BOWERS, Q. DAVID.....	247
BUCKMAN, N.B.	247
COHEN, BERTRAM.....	215
COHEN, BERTRAM.....	226
COLLECTIBLES INSURANCE AGENCY	221
CURRENCY AUCTIONS OF AMERICA	256
DENLY'S OF BOSTON.....	215
EARLY AMERICAN NUMISMATICS	225
HOOBER, RICHARD T.....	245
HORWEDEL, LOWELL C.....	251
HUNTOON, PETER	251
JONES, HARRY.....	255
KAGIN, A.M.....	233
KAGIN'S.....	239
KNIGHT, LYN	229
KRAUSE PUBLICATIONS	OBC
KYZIVAT, TIM	239
KYZIVAT, TIM	247
LITT, WILLIAM	239
LITTLETON COIN CO.	219
MURPHY, CLAUD & JUDITH	239
OREGON PAPER MONEY EXCHANGE	245
PARRISH, CHARLES C.	255
POLIS, JAMES	247
POMEX, STEVE.....	245
PRUSMACK, TIM.	237
ROB'S COINS & CURRENCY.....	251
RUBENSTEIN, J&F	221
SHULL, HUGH	210
SILVER PENNY COINS	237
SLUSZKIEWICZ, TOM	245
SMYTHE, R.M.	IFC
STACK'S.	231
UNIVERSITY PRODUCTS	247
WELCH, ROBERT B, AGENT	215
YOUNGERMAN, WILLIAM, INC.	225

An unprecedented opportunity
for Currency Buyers and Sellers

ATTENTION



Currency Auctions of America joins the Heritage family of companies

Currency Auctions of America, America's most respected currency auctioneer, has just become part of the country's largest numismatic auction house, Heritage Numismatic Auctions. Building on the combined strengths of both companies, opportunities for buyers and sellers of paper money will greatly increase with more frequent CAA auctions at conventions around the country, and twice-monthly sales on the Internet at www.CurrencyAuction.com.

CAA founders Len Glazer and Allen Mincho, two of the top currency experts in the world, will continue handling all consignments, grading, and cataloging. CAA will be able to offer more material, hold more auctions, and have greater access to potential bidders through Heritage's huge customer base, worldwide marketing expertise, financial strength, and advanced technology.

This gives CAA the unmatched ability to attract potential consignors and bidders, which means more choices for paper money collectors:

- more frequent auctions, containing larger amounts of material
- access to Heritage's active mailing list of 50,000 names and web site membership of nearly 40,000 numismatists
- online interactive bidding and paper money search engine capabilities at www.CurrencyAuction.com and www.HeritageCoin.com.
- full color, enlargeable images of every single-note lot posted on the Internet
- selected lots for the September CAA auction in Cincinnati will also be available for viewing through Heritage at the ANA convention in Atlanta in August
- all CAA catalogs will be available in CD-ROM format as well as online
- lead-times will be shortened between consignment deadlines and sale dates
- greater financial resources for cash advances to consignors and for purchases

**We invite your participation
in future CAA auctions.**

Yes

☐ I am interested in consigning my currency to one of your upcoming auctions, please contact me.

☐ I would like a copy of your next Auction Catalog. Enclosed is a check or money order for \$15, (or an invoice for \$1,000 from another currency company; Fax or Mail a copy to CAA).

☐ I would like a one-year subscription to all your Auction Catalogs. Enclosed is \$50 for the year.

☐ I would like a FREE copy of your video "Your Guide to Selling Coins and Currency at Auction."

☐ Fill in your e-mail address below for free, comprehensive e-listings, news, and special offers.

E-mail _____
Name _____
Address _____
City, State, Zip _____
Daytime Phone _____
Evening Phone _____

**FOR FASTER SERVICE,
Call 1-800-872-6467
CURRENCY AUCTIONS OF AMERICA**

Heritage Plaza, 100 Highland Park Village, 2nd Floor • Dallas, Texas 75205-2788
214-528-3500 • FAX: 214-443-8425
www.HeritageCoin.com • e-mail: Bids@HeritageCoin.com
Len Glazer, Ext. 390 (Len@HeritageCoin.com)
Allen Mincho, Ext. 327 (Allen@HeritageCoin.com)

CAA Upcoming Schedule:
September 2001 - Cincinnati
November 2001 - St. Louis - Charity Auction
January 2002 - Orlando
May 2002 - Rosemont



Steve Ivy Jim Halpern Greg Rohan

Heritage Plaza, 100 Highland Park Village, 2nd Floor • Dallas, Texas 75205-2788 • 1-800-US COINS (872-6467) • 214-528-3500 • FAX: 214-443-8425
www.HeritageCoin.com • e-mail: Bids@HeritageCoin.com • www.CurrencyAuction.com • e-mail: Notes@CurrencyAuction.com



Len Glazer 1-800-872-667 Ext. 390 (Len@HeritageCoin.com)
Allen Mincho 1-800-872-667 Ext. 327 (Allen@HeritageCoin.com)
www.CurrencyAuction.com

REALIZE TOP MARKET PRICE FOR YOUR PAPER MONEY!

Let Our Success be Your Success! Consign with Bowers and Merena Galleries Today!

We offer you the incomparable and very profitable advantage of having your material presented in our superbly illustrated Grand Format™ catalogue to our worldwide clientele of collectors, investors, museums, dealers, and other bidders. Your paper money will be showcased by the same expert team of cataloguers, photographer, and graphic artists that have produced catalogues for some of the finest collections ever sold. And, the presentation of your currency will be supervised by Q. David Bowers, one of the most well-known names in the entire hobby.



Choice VF 1861 Montgomery Issue \$100, realized \$25,300



Impressive \$100 Treasury or Coin Note, realized \$138,000



Unique Territory of Dakota, National Bank Note, Serial #1, realized \$55,200



Weehawken, New Jersey \$5 National Bank Note Pair, Serial #1, realized \$15,525

It's Easy to Consign!

Selling your collection will be a pleasant and financially rewarding experience. From the moment we receive your consignment we will take care of everything: insurance, security, advertising, worldwide promotion, authoritative cataloguing, award-winning photography, and more—all for one low commission rate, plus a buyer's fee. When you do business with Bowers and Merena, you do business with a long-established firm of unsurpassed professional and financial reputation. Over the years we have sold over \$350,000,000 of numismatic items and have pleased more than 30,000 consignors.

Just contact John Pack, our auction director at 800-458-4646 to discuss your consignment. It may well be the most financially rewarding decision you make.

Buy Online, Bid Online, Books Online! www.bowersandmerena.com

BOWERS AND MERENA GALLERIES

A COLLECTORS UNIVERSE COMPANY—NASDAQ: CLCT

Box 1224 • Wolfeboro, NH 03894 • 800-458-4646 • In NH 569-5095 • FAX 603-569-5319
www.bowersandmerena.com • e-mail: auction@bowersandmerena.com

PM0901A

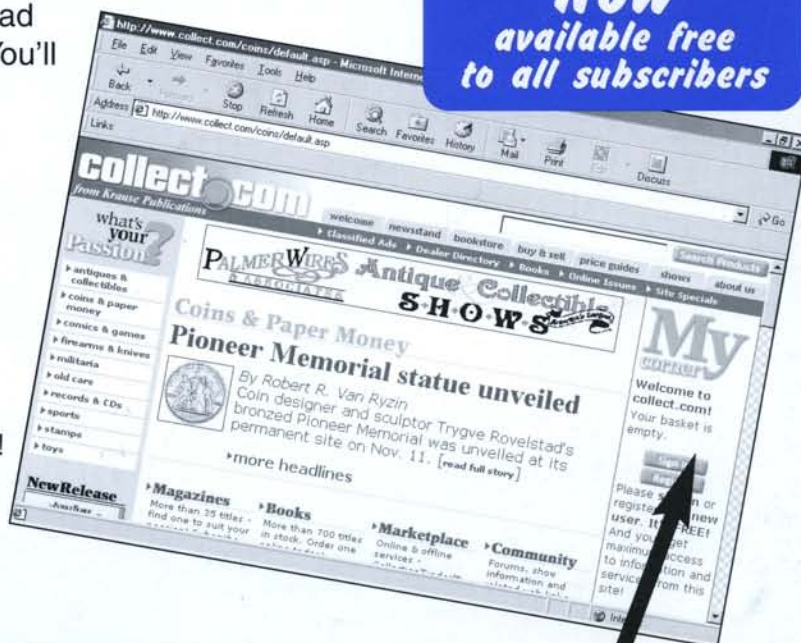


Krause Publications delivers your subscription online!

Now you can access online the vital coin and paper money information you want. Read every issue right from your computer. You'll find:

- It's faster than mail - no postal delays!
- Information is available online only 4 days after issue mails.
- You get your mailed copy too.
- You're among the first to check Display & Classified Ads.
- Every issue of *Coin Market* is available to *Numismatic News* subscribers – the most accurate prices at your finger tips!
- See every issue online and search every issue for the item you want.

Now
available free
to all subscribers



**Here's how
to access the
information.**

Go to www.collect.com

- Register & go to "View Online Issues" in My Corner
- Fill in required subscriber information
- You're ready to go!

Take advantage of this special!

Call Toll Free 800-258-0929

M-F 7am – 8pm
Sat 8am – 2pm CT
Offer ABA7CB

Or subscribe online at www.collect.com

Bank Note Reporter - 12 issues, \$35.00

Numismatic News - 52 issues (includes 12 issues of *Coin Market*)

World Coin News - 12 issues, \$25.98

Coins Magazine - 12 issues, \$25.98

*This year, we celebrate 50 years of service
to the coin and paper money market worldwide.*

